



सत्यमेव जयते

**REPORT**  
**OF**  
**THE RAILWAY CORRUPTION**  
**ENQUIRY COMMITTEE**  
**1953-55**

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GOVERNMENT OF INDIA  
MINISTRY OF RAILWAYS

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## CHAPTER I

### INTRODUCTION

The problem of corruption in the Railways is nothing new. It has existed from the time that the Railways were built in India. During the earlier periods, under company management, the wages of the station staff were very low and what they collected as 'bakshis' or 'mamul' from the public for the service rendered was connived at so long as the extra money was voluntarily given and did not give rise to any serious complaints from the public. This form of corruption was, therefore, almost universal.

2. In their report in 1937, the Wedgewood Committee commented :—

" Dishonesty.—This is a vice which is alleged to be endemic in the railway service as well as in other Indian public services. It is much more difficult to deal with than incivility, but none the less we feel that determined efforts must be made to put an end to it.

So far as our information goes it ranges from the mere offering and acceptance of 'customary' tips for duty done to the exaction of heavy payments by responsible officials as the price of securing the performance of duties which are clearly incumbent on them without payment."

This would indicate the extent of corrupt practices. During the second world war, the entire resources of the Railways were mobilised for the movement of Defence Forces and materials, with the result that the movement of other commodities suffered a heavy set-back. This led to the system of priorities which was introduced to regulate the movement of goods. The transport facilities available after meeting the requirements of the Defence Department were extremely limited. The result was that various new forms of corruption crept into the Railways. Sometimes, merchants paid even a thousand rupees to secure a wagon for the transport of their goods. The organisation created for granting of priorities was also not free from corruption. Similarly, owing to frequent movements of troops, passenger trains were heavily overcrowded, and varying amounts were paid to secure accommodation. Even after the termination of the war, as the transport position remained unsatisfactory, these corrupt practices have continued.

3. The Indian Railway Enquiry Committee of 1947, appointed to make a general survey of the working of the Railways, though it did not specifically examine the question of bribery and corruption, expressed the view that the evil was there and needed tackling. It, therefore recommended that rule 11\* of the Railway Servants'

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\* The rule reads as follows :

"Control over immovable property held or acquired by Railway Servants.—Every Railway servant or candidate for service under the Government must make to the Government, through the usual channel, a declaration of all immovable property which may from time to time be held or acquired by him or by his wife or by any member of his family living with, or in any way dependent upon him.

Such declaration should state the district within which or the prince or Chief in India within whose territories the property is situated and should give such further information as the Government may by general or special order require."

Conduct Rules, Appendix XI of the State Railway Establishment Code, Volume I, about the declaration of immovable property by a Railway servant, should be rigidly enforced. Unfortunately, even this recommendation remained a dead letter. In the Railway Ministry's report on the action taken on the Indian Railway Enquiry Committee's Report, 1947, it was stated that the question of declaring property owned by Railway servants would be tackled on the lines decided upon in general by the Home Ministry. The matter was pending with the Home Ministry till March, 1955, with the result that no action was taken on this recommendation. Serious complaints about corrupt practices on the Railways continue to be voiced in Parliament. The claims bill of the Railways has also remained abnormally high.

The Minister for Railways and Transport, in his budget speech in the Parliament on the 18th February, 1953, referred to the prevalence of corruption amongst the Railway staff and declared that Government would be shortly appointing a committee of Members of Parliament and, if necessary, a few others to report to the Government, the extent of corruption on Railways and the means to achieve its elimination.

**4. Appointment of the Committee.**—The Government of India notified the appointment of the Committee, in their press communique dated the 9th September, 1953, in the following terms :—

“ In pursuance of the decision of the Railway Minister to constitute a Committee of Members of Parliament and a few others to enquire into the prevalence of corruption on Indian Railways, it has been decided to set up a Committee consisting of the following :—

1. Shri Hriday Nath Kunzru
2. Shri Shahnawaz Khan
3. Dr. W. S. Barlingay
4. Shri K. S. Hegde
5. Shri K. L. More
6. Dr. A. Krishnaswami
7. Shri K. Raghuramiah
8. Shri P. S. Rajagopal Naidu
9. Shri Ramsubhag Singh
10. Shri S. C. Samanta
11. Shri Sarangadhar Das
12. Shri M. D. Upadhyay.

The Chairman of the Committee will be Shri Hriday Nath Kunzru.

2. The terms of reference of the Committee will be as under :—

To enquire into and report on—

- (i) Extent of corruption prevalent among various categories of Railway employees in their dealings with the public.
- (ii) Methods adopted by the staff concerned.
- (iii) The causes of corruption.
- (iv) Responsibility of the using public.
- (v) Defects, if any, in rules and regulations which leave loopholes for corruption.
- (vi) Remedial measures, both administrative and legal, to eradicate this evil in all its aspects."

The actual appointment of the Committee was made on the 3rd October, 1953. Shri H. N. Trivedi, an officer of the Transportation (Traffic) and Commercial Department of the Eastern Railway, was appointed as the Secretary of the Committee.

5. After some preliminary meetings, Shri Hriday Nath Kunzru resigned from the Committee as he was appointed a member of the States Reorganisation Commission. As a consequence, the Minister for Railways and Transport made the following announcement in his speech introducing the Railway budget for 1954-55 :

"... Pandit Kunzru has been appointed a member of the States Reorganisation Commission and the Committee had thus to lose his valuable services. I am, however, glad to announce that Acharya J. B. Kripalani has kindly agreed to guide the deliberations of that Committee in his place."

3rd October, 1953 to 18th February, 1954.

6. The first three meetings of the Committee were held in Delhi under the chairmanship of Pandit Kunzru. It was decided to issue detailed questionnaires as under :—

- (1) General questionnaire (Appendix I).
- (2) Questionnaire for the Railway Administrations (Appendix II).
- (3) Questionnaire for the State Governments (Appendix III).
- (4) Questionnaire for the Inspector General, Special Police Establishment (Appendix IV).
- (5) Questionnaire for the Railway Employees' Unions (Appendix V).
- (6) A supplementary questionnaire for the Railway Administrations (Appendix VI).

The parties were requested to give their replies to the questionnaires by the 31st December, 1953. As the number of replies received was small, this date was extended upto the 15th January, 1954; but the replies received subsequent to this date were

also taken into consideration. The number of replies to the general questionnaire received from different sources was as under :

(i) Chambers of Commerce .. .. .	35
(ii) Trade Associations .. .. .	48
(iii) Passenger Associations .. .. .	30
(iv) Co-operative Societies .. .. .	41
(v) Municipalities .. .. .	20
(vi) Members of Railway Users' Consultative Committees ..	26
(vii) M. Ps. and M. L. As. .. .. .	31
(viii) Individual members of the public .. .. .	254
Total.. ..	485

*19th February, 1954 to 20th May, 1954.*

7. As the Parliament session was on, and the Committee consisted of Members of Parliament, it was not possible for the Committee to undertake any tours to collect evidence. In order to expedite the work, it was, therefore, decided that the Committee should commence the collection of evidence in Delhi itself. After the replies received to the questionnaires issued by the Committee were summarised and scrutinised, the work of collecting oral evidence from the various parties including the Members of the Railway Board and other high Railway and police officials, the representatives of the Railway Employees' Unions, the representatives of various public bodies like Chambers of Commerce, Merchants' Associations, as also the individuals commenced from the 2nd April, 1954 and continued upto the 18th May, 1954. The Committee also paid a visit to the goods shed at New Delhi and the parcel office at Delhi Jn. on the 19th and 20th May, 1954 respectively. During the above period, the Committee held in all 14 sittings and examined 46 witnesses.

*10th June, 1954 to 15th February, 1955.*

8. During the above period, the Committee undertook five tours; the first commenced from Madras from the 10th of June, 1954 and ended at Madras on the 29th June, 1954 on Southern Railway, the second commenced from Nagpur on the 18th July, 1954 and ended at Delhi on the 10th August, 1954 on the Central Railway and broad gauge portions of the Western Railway, the third commenced from Delhi on the 13th October, 1954 and ended at Delhi on the 13th November, 1954 mainly over the Northern and Eastern Railways, the fourth commenced from Delhi on the 6th January, 1955 and ended at Delhi on the 21st January, 1955 mainly over the Assam section of the North Eastern Railway, and the fifth commenced from Delhi on the 8th February, 1955 and ended at Delhi on the 15th February, 1955 over the metre gauge portion of the Western Railway. The Committee visited 37 places, had 139 sittings and examined 1,150 witnesses.

10. **Acknowledgments.**—We wish to record our thanks to the Members of the Railway Board, the General Managers of the Railways and other Railway officials for providing detailed information and making necessary arrangements for the work of the Committee, to the representatives of the State Governments, of the Chambers of Commerce and other public bodies, of the Railway Employees' Unions, the Inspector General, Special Police Establishment, New Delhi, and his officers, and other individuals for co-operating with the Committee by furnishing useful information and suggestions through correspondence and oral evidence.

We also take this opportunity of expressing our warm appreciation of the services of our Secretary, Shri H. N. Trivedi, and of the staff working under him. The Secretary has been untiring in his attention to the business of the Committee and it is largely due to his efforts that we have been able to cover a large part of India during our tours and to make full use of our time. His ability, industry and tact have been invaluable to us in performing our delicate task. Our staff headed by the Superintendent, Shri K. N. R. Pillay, have had to work under heavy pressure, specially during the tours, when they had to work even on Sundays and often late in the evenings. Our gratitude is due to them for the efficiency and loyalty with which they worked.



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## CHAPTER II

## PROBLEMS OF CORRUPTION IN ITS SETTING

11. From the terms of reference it will be seen that the Committee were commissioned to enquire into corrupt practices on Railways and suggest administrative and legal measures for eradicating them, with a view to promoting efficiency and introducing a healthy moral tone in the administration. In addressing ourselves to this task, we feel it proper to make a few general observations.

12. At the very outset explanation is called for as to why the Railway administration should have been singled out for this investigation. This question cropped up again and again in our discussions with numerous official witnesses. It is a question which the authorities appointing the Committee can best answer. So far as we are concerned, we feel that the Railways are not only our largest nationalised undertaking in this country, but also the biggest utility concern. Its operations must therefore be judged by these two considerations. No industrial concern caring for its customers and its reputation can allow widespread corruption among its employees. Moreover our transport system has direct, constant and widespread impact on the general public. In a Welfare State, the work of such a nationalised utility concern, the efficiency with which it is operated, the services that it renders to customers and its contribution to the national production have a special significance. It provides a test of the capacity of the administrative machinery to undertake the responsibility of running a nationalised industry.

13. Today the annual budget of our entire Railway system aggregates to about three fifths of the general revenues of the Union of India. The annual revenues obtained from Railways exceed the gross budgetary revenues of several countries in the world. Our Railways employ today nearly ten lakhs of people. The number of passengers annually carried is of the order of 120 crores and the weight of goods is about 10 crore tons. This gives a rough indication of the people who come in contact with the Railway Staff. The responsibility of keeping this enormous and complex machinery of administration in a state of efficiency and integrity is a matter of great concern to the government and the nation. Corrupt practices in this our largest nationalised utility enterprise require to be watched with great vigilance and concern. Effective administrative and other measures calculated to root out or mitigate the evil of corruption are vital to our national life. The question of offering justification for the present enquiry therefore should not arise.

14. We realise, however, that Railwaymen are not a separate community. They are drawn from the same social milieu as employees in other government departments and are subject to the same temptations as other sections of the community. Corruption in other Government departments and in other walks of life is bound to affect the honesty and integrity of Railwaymen, and it would be futile to expect them to be absolutely honest in a general atmosphere of corruption, dishonesty and sharp business practices. It is, therefore, essential that, while taking steps for eliminating corruption amongst the Railwaymen, the general aspects of the problem are not lost sight of.

15. It may not also be forgotten that, in the last resort, effective check to any anti-social activity can come from a vigilant and honest police force both in its investigating and executive branches. It is difficult for a department to discharge its special functions and also effectively tackle the anti-social elements working in its ranks. It has not the necessary machinery to do this. The first essential condition for eliminating corruption in any governmental department is therefore to have an efficient and honest police force, trained in the latest and most scientific methods of detecting and apprehending crime.

16. It is also true that the lack of adequate civic sense and business morality are to some extent responsible for the encouragement of corruption amongst the Railway staff. In this connection, we entirely agree with the observations made by the Indian Railway Enquiry Committee, 1947.

"At present, some of the travelling and business public appear to acquiesce in the payment of additional premia for service, and to consider it 'smart' to obtain by bribery an advantage to which they are not entitled."

We also regret to note an increasing tendency among certain sections of the public including the rising generation to indulge in ticketless travelling. It has further come to our knowledge that often visitors to political conferences and similar large gatherings think it their privilege to travel without tickets. This attitude will have to change radically if the atmosphere in which corruption and bribery prosper is to be cleared.

#### APPROACH TO THE PROBLEM.

17. During the course of our investigation, we found to our regret that the correct approach to the problem was generally lacking. We give considerable importance to this because we feel that administrative and legal measures would be practically useless if a proper approach to the problem is not made both by officials and non-officials.

18. **Higher Officials.**—We are extremely sorry to record that the general attitude of the Railway employees was one of resentment at the appointment of the Committee. This was veiled in the case of high officials. They felt that they had been singled out and held to undeserved odium while corruption in other Governmental departments was no less. One Chief Engineer went so far as to tell us that to ask him any question about corruption was to insult him. He stated that the rules and regulations of the Engineering Department were so perfect that there was no scope for corruption.

At one of the District Headquarters where we received various complaints from the public, when we questioned the D.T.S. whether he had received any, he replied that he had received no specific complaints. Though such were the answers often given in the oral evidence, in their written replies to the questionnaire, most of the administrations have given quite an exhaustive list of methods employed by the staff to exact illegal gratification from the public and to misuse and misappropriate Railway property.

Generally, the officers felt that whatever possible could be done was being done and that nothing further would yield any results. They, however, insisted that their powers should be increased to enable them to take prompt and drastic action against erring and suspect subordinates. Some high officials opined that even an efficient and honest officer would make no appreciable difference in the volume of corruption. However, most of these, when confronted with a comparison of performance as between an efficient and honest officer and one who was inefficient and reputed to be corrupt, had to admit that under the former the extent of corruption would undoubtedly decrease. There were also officers who felt helpless and thought that nothing could be done to eradicate existing corruption. This attitude of complacency or in some cases even of despair would present formidable difficulties in the way of any reform. The men at the top generally fail to realise that they are in a vulnerable and at the same time in a privileged position. They are vulnerable to criticism especially as they wield power, authority and influence. They can get the right thing done and check evil. They are in a privileged



position because it is they who set the moral tone to our administration. Shri Gorwala, in his report on Public Administration, remarks :

“Ministers, Legislators, officials—all fall within the ambit of public disapproval. There is a tendency to believe the worst of every one and there are not very many against whom nothing at all is said. The lack of integrity alleged takes many shapes ; patronage, undue interference, actual corruption, these are all different forms of the disease which large sections of the embittered public believe has infected the body politic.”

This widespread distrust and suspicion are perhaps due to the disappointment of the public from quarters from which they had high expectations.

The decline in efficiency is largely due to the arbitrary exercise of patronage in the provision of jobs and promotions by persons of high rank. The exercise of patronage, according to Gladstone, is an evil which should be avoided by administrators concerned with high policy. Unfortunately, we have not as yet built up the tradition, and the testimony of witnesses before our Committee gives us the idea that, apart from administrative reforms and punitive measures, there is great need for higher officials to play the role of leaders in a reform movement. In an atmosphere of favouritism, efficiency is at a sad discount; the honest employee considers it more useful to emulate the arts of a courtier and forgets the need for contributing his best efforts to the enterprise and the country. We do not suggest that all the inferences and conclusions drawn by witnesses who have testified before us should be accepted without question. They are, however, sufficiently serious to warrant a searching of hearts in high places and adoption of healthy conventions designed to create a better atmosphere amongst the employees in general. We also noticed a marked tendency among officials to throw the entire responsibility either on the lower staff or on the mercantile community and the public.

**19. Lower staff.**—The lower staff, while admitting corruption among their ranks, said that they had to satisfy the illegal demands of higher officials. They also asserted that those among them who did not fall in line with current practices or exposed corruption were victimised by their colleagues and sometimes even by higher officials. They further stated that they were tempted to accept illegal gratification because of the low wages paid to them and the temptations held out by the public, especially the rich mercantile community.

**20. Railway Employees' Unions.**—We regret to say that the majority of the Railway Employees' Unions have given no serious thought to the prevalence of corruption amongst their members. In the evidence given by their representatives, they invariably blamed the higher officials and held that the latter's demands obliged the lower staff to indulge in bribery and corruption. With this attitude of mind, the Unions have taken no active steps to eradicate corruption from among their members. It is also unfortunate that, in order to gain and retain local popularity, the main activities of the Unions have been concentrated more on the demands for increase of the privileges and emoluments of their members and on individual cases rather than on devoting their attention to broader issues. Yet it is pretty obvious that no Trade Union can function satisfactorily and exercise healthy influence over its members, unless it cleanses its own house. No effective case can be made for enhanced emoluments unless corruption stops.

**21. Business Community.**—During the course of their evidence, Chambers of Commerce and other Trade Associations frankly admitted that they had not given

any thought to the problem of corruption so far as it was encouraged by the trading community; nor had they thought of taking any steps for its eradication. Their organisations were mainly interested in the problems that directly affect the immediate interest of their constituents. This, however, we feel, is a short-sighted view. It has to be realised that any shady practices indulged in by an individual merchant to gain a temporary advantage is bound to act as a boomerang and affect adversely the interests of commerce and industry as a whole. If trade and industry are to thrive, adequate transport, without any cramping effects of corruption, is the *sine qua non*. Delays in transport and rivalry among merchants leading to corruption affect industry and commerce adversely. So far as delays are concerned, they can be remedied only by the Railway authorities, but organised corruption is something about which trade associations can do a great deal. It is, therefore, in the larger interests of the merchant community, as well as the public on whose patronage they and their business thrive, that the Chambers of Commerce and other trade associations should initiate a concerted drive to eradicate corruption from among their ranks and reducing its incidence on the Railways.

22. While making these observations about the attitude of the different parties, it is not our intention to say that the correct approach to the evil has been totally lacking. During the course of collecting evidence, we have come across individuals—Railway officials, merchants and members of the Trade Unions and the public—who have shown a correct appreciation of the problem. However, their number is small and it will be necessary to create an atmosphere by which this minority can be increased and their influence made effective for the public good.

23. One unfortunate feature was the tendency among many officials and some non-officials to throw the entire blame on our national character. This attitude indicated an effort to rationalise and justify and get reconciled to the continuance of the evil. Those who advanced this argument did it with a conscious or sub-conscious idea that they themselves were not affected by this national character. They also failed to realise that bribery and corruption are not unalterable traits of the character of any people. These are as capable of eradication under favourable social conditions as of extension under unfavourable circumstances. 'National character' in this respect can be moulded, given proper conditions, the most important being leadership. In our life-time we have seen that, before Gandhiji came on the political field, it was said that we Indians lacked patriotism and a spirit of sacrifice and could not stand up against tyranny. A few years of Gandhiji's guidance and the leadership he created changed all this. We shed our fear and were patriotic enough to make the highest sacrifices demanded for the freedom of our country. Wherefrom came this fearlessness and a spirit of sacrifice? It was there. It came to the surface under favourable circumstances created by the high example set by the leadership in all walks of life. If, in the matter of corruption too, a correct lead is given, the evil can be substantially minimised. A great responsibility, therefore, rests on public leaders and high officials.

24. All this, however, does not mean that there has been no improvement in the working of the Railways over the conditions that prevailed during or immediately after the last world war. Yet the extent of corruption is still so great and widespread that a concerted drive will have to be made and sustained for a long period to have any appreciable effect, and the example, we feel, will have to be set by the leadership in public life and in administration. We lay stress on integrity in high quarters, because we have come across instances where the actions of high officials were not entirely above board.

25. We were often told that it is generally difficult to produce sufficient proof of corruption to obtain a conviction in a court of law though there might be strong and reasonable suspicion coupled with persistent public talk against an individual. In such cases, we are of the opinion that action should be taken on the lines suggested in the extract given below from Chapter XV of the Hyderabad Economy Committee Report.

"Corruption, it is said, is often difficult to prove. All the more reason why there should not be the least hesitation in investigating every matter in which there is ground for complaint. Punishment, too, for corruption should be exemplary, the least being dismissal from service. There is, in this matter of corruption, one clear criterion which can be of great assistance in assessing the possibility or otherwise of its existence. Reputation can be taken as almost conclusive. It may be said of an officer who has not that particular fault, that he is harsh or rude or lazy, but it may be laid down almost as a rule that, over a period, it will not be said, of an officer who is honest, that he is dishonest. Consequently, when a strong aroma of corruption has gathered round an officer, very rarely will it be wrong specially and thoroughly to investigate his actions, his financial position and the financial position of such of his relatives and close friends as seem to have acquired a somewhat large share of the good things of the world. No such officer should, in any case, be kept in any position of responsibility or influence."

26. In regard to the integrity of the Government officials in key positions, the following suggestion made by the Planning Commission in the chapter on 'Reform of Public Administration' in the 'First Five Year Plan' should be rigidly followed :

"As a matter of ordinary administrative practice, an official who does not have a reputation for honesty should not be placed in a position in which there is considerable scope for discretion."

Again :

"It is always implicit in the unwritten code of conduct for those who hold responsible positions, whether political or official, that the public should always have absolute confidence in their disinterestedness and impartiality. In their social relations and all their dealings, they must, therefore, be especially careful to see that there is no ground or occasion to suggest that some individuals have greater access to or influence with them than others."

27. We feel that, if a correct approach is made to the problem of corruption by the parties we have mentioned above and if the integrity and honesty of those in high position is clear, it will go a long way to improve the existing situation.

## CHAPTER III

## BOOKING OF GOODS AND PARCELS TRAFFIC

28. The main function of the Railways is to sell transport. This consists largely of goods, parcels and passengers. Goods traffic is the more important. The smooth and economic working of trade and industry of a country depends upon the efficiency and speed with which goods are moved. If there are bottlenecks in transport, whether due to shortage of wagons or indifference or inefficiency in movement or corruption, industry and commerce suffer. A good deal of necessary capital which could be used for increasing production is locked up and there is also an increase in the overhead charges. The result is that the consumer has to pay higher prices for goods than he would otherwise pay.

29. The comparative importance of goods traffic (including parcels) to the Railways will be plain from the figures given below of the total earnings and the earnings from goods and parcels traffic on the Indian Railways for the three financial years 1951-52, 1952-53 and 1953-54 :—

					(In thousands of Rupees)		
					(a)	(b)	(c)
					Total earnings.	Earnings for goods & parcels.	% of (b) to (a)
1951-52	..	..	..	..	29,18,470	16,66,202	57.09
1952-53	..	..	..	..	27,00,883	15,63,679	57.90
1953-54	..	..	..	..	27,07,528	5,77,449	58.26

These figures show that approximately 57 to 58 per cent. of the Railway earnings come from goods and parcels traffic.

30. The procedure for the despatch and receiving of goods in a huge organisation like the Railways is a complicated one. It is further complicated due to restrictions and quota limitations imposed to suit the handling capacity of the Railways and governmental regulations. An average businessman is neither conversant with the complexity of procedure nor the latest position about restrictions and quota limitations. He is largely at the mercy of officials for the movement of his goods. His ignorance is fully exploited by corrupt officials.

31. Normally, the price of a commodity or service is regulated by the law of supply and demand. But Railways being a monopoly concern, transport price does not fluctuate. It is fixed by the Administration. In actual practice, however, if for whatever reason the supply is less, the "unofficial price" goes up. The difference between this and the schedule rate is pocketed by unscrupulous officials. Shortage of transport, however created, is therefore one of the main reasons that encourages corrupt practices. The inadequacy of rail transport is due to a number of complicated factors, the more important being :—

- (i) Insufficient number of wagons,
- (ii) Inadequate line capacity over certain sections, (e. g. Borwada—Madras section),
- (iii) Bottlenecks in yards,

- (iv) Inadequate transshipment capacity at various break of gauge points,
- (v) Inadequate number of locomotives,
- (vi) Failure of the Railways to make the best possible use of what is available, viz., wagons, locomotives, line capacity, yard capacity, transshipment capacity etc. and inadequacy of staff, and
- (vii) Shortages artificially created to exact illegal gratification.

In regard to items (i) to (v), it is well known that the capacity of the Railways in various directions was taxed to the maximum during the last war and replacements were totally inadequate. The result was that at the end of the war the Railways were left in a deplorable condition. We are, however, glad to note that this aspect of the problem is engaging the serious attention of the authorities and efforts made to build up the assets by ordering additional wagons, locomotives, etc. and by increasing the sectional, yard and transshipment capacity. We wish that the process of building up of assets were quicker. On the basis of the figures given in the pamphlet "The Progress of the Five Year Plan on Indian Railways", the overaged stock still expected to remain in service at the end of the First Five Year Plan will be, 1,985 locomotives, 4,130 coaching vehicles (units) and 14,078 wagons (units).

32. Closely related with this is the efficiency in fully utilising available assets. It is obvious that no industry can afford to spend money indiscriminately to buy additional rolling stock and increase the section, yard and transshipment capacity with a view to covering up the inefficient working of the system. This would only add to the overall charges. The Indian Railway Enquiry Committee, 1947, made an exhaustive review of the working of the Railway administration and a perusal of its report will show that there is great scope for improvement. A rough and ready index of efficiency in goods traffic is the wagon turn-round figure. The figures of this both on the broad gauge and metre gauge are given separately month by month in the Appendices VII and VIII. These figures would make it clear that, though a slight improvement has been effected in the last few years compared to the immediate post-war period, there is yet considerable scope for further improvement. Cases of hold-up of goods traffic in important yards, on sections and at transshipment points are quite frequent, as can be gauged from the frequent restrictions that have to be imposed from time to time. The very fact that the goods traffic has to be regulated by the fixation of quotas indicates that the Railways are not in a position to move the goods freely as and when offered. A steady drive at a very high level will have to be maintained to improve the position further. If the wagons are made available to the trading community according to demand by efficient operation, one great factor leading to corruption will be eliminated.

33. However, there is another kind of shortage that is artificially created to facilitate the demand for illegal gratification, by declaring available wagons falsely as 'sick' or as booked for other station.

#### A. MODES OF CORRUPTION.

34. Methods adopted by the staff to get illegal gratification may be grouped under four broad headings :—

- (i) Collection of *mamul*, a small payment more or less universally expected (through dalals at big stations) at the time of booking and delivery of goods and parcels. This is paid by the consignors or the consignees to secure the co-operation of the station staff in transacting business, which can be made dilatory and difficult if such co-operation is withheld.

- (ii) The station staff take advantage of the ignorance of the parties concerned by misrepresenting the rules in force or giving false information about restrictions and quotas limitations, etc., and then pretend to confer favours without violating the rules.
- (iii) Extortionate practices adopted by the staff, such as declaring a wagon falsely 'sick', misdirecting, making wrong placements etc.
- (iv) The public tempting the station staff to falsify records to save themselves the payment of Railway dues and thereby gaining substantial advantage.

35. The detailed modes of corruption in goods and parcels traffic may be discussed under the following heads:—

- (1) Booking of goods.
- (2) Loading and unloading of consignments.
- (3) Delays in transit.
- (4) Overweight and underweight.
- (5) Demurrage and wharfage.
- (6) Delivery of goods consignments.
- (7) Parcels traffic.

36. **Booking of goods.**—(i) At bigger stations gate clerks are posted for receiving consignments in the goods sheds between stated hours. But goods are allowed to be brought into sheds after the closing of the gates and on other than the appointed working days of the week on payment of illegal gratification.

(ii) The forwarding notes at booking stations are normally tendered in bunches. While registering them in the Priority Register, preference is shown to consignors on payment of bribe.

(iii) The train examining staff declare the stock unfit for loading to avoid forfeiture of registration fee by the consignor for failing to bring his goods in time, particularly the livestock.

(iv) Railway receipts are issued to the merchants in advance, to allow the trader having small capital to draw money from the bank on the strength of the Railway Receipts or through the sale of Railway Receipts and thus enable him to purchase and despatch goods against the Railway Receipt.

(v) Ante-dated Railway Receipts are issued to merchants, to circumvent restrictions on booking or to prove to their customers that the contract to supply goods within the stipulated time had been fulfilled.

(vi) Merchants are permitted to book consignments on misdeclaration to obtain a lower rate.

(vii) Marks on goods already booked are changed so that goods of higher quality are delivered at the destination to the party. Such cases generally happen in the consignments of hides, skins, etc.

(viii) At certain smaller stations, duplicate Priority Registers are maintained, or the pages of the Priority Registers are changed to favour certain merchants.

(ix) As traffic *via* certain routes is governed by quota limitations the number of wagons that can be registered per consignor is limited. Merchants are permitted to register more than the prescribed number of wagons under false and fictitious names to circumvent quota limitations. On receipt of allotments, they are sold at a price. This is done with the connivance of the Chief Goods Clerk or the Station Master who can easily verify whether the registrations are genuine or otherwise.

(x) Goods over short distances are sent by the booking staff in connivance with the Guards and the staff at the receiving ends without issue of invoices.

(xi) Packages of small size are sometimes despatched to the nearest repacking point instead of to the farthest point and *vice versa* against the rules to suit the convenience of consignors or their rivals.

(xii) Wagons loaded with 'smalls' are sometimes booked to a particular station even though the minimum weight condition required for the despatch of the wagon is not fulfilled.

(xiii) When there is scarcity of wagons or when the booking of full wagon load traffic is restricted, such traffic is split up into 'smalls' by the same merchant in connivance with the staff, and offered as 'smalls' under different fictitious names.

(xiv) Where a limited quota has been fixed for smalls booking in the form of CR-TR vans, excess vans are loaded without the same being shown in the wagon transit register or the loading register. (This irregularity cannot be easily checked through the mere inspection of books.)

(xv) The staff refuse to accept the forwarding notes from the merchants on the plea that booking is restricted and accept forwarding notes from those merchants who pay illegal gratification.

(xvi) Fictitious entries are made in the priority register by the staff with the object of selling priority at a premium, especially when there is heavy traffic demand.

(xvii) Wagons are supplied and booking is allowed without allotment orders, thereby circumventing administrative instructions.

(xviii) Allotment orders are suppressed with the object of allotting wagons to favoured traders.

(xix) Merchants are often harassed by the staff quoting a higher class of rate than warranted if gratification is not paid.

(xx) Issue of Railway Receipts is delayed on some pretext or the other with corrupt motives.

(xxi) Incorrect information is given to the consignors in regard to restrictions, quota limitations etc., with a view to giving an impression that they are shown special favour to be paid for.

**37. Loading and unloading of consignments.—(i)** Though allotment orders are received from the Divisional Office, the actual supply of stock is made by the yard staff. They sometimes favour a merchant by supplying the particular type of stock, such as supply of CA type of wagon for loading livestock and perishables and wagons of greater or smaller floor area according to consignor's convenience. Train

examining staff can also, and often do, get some gratification from the merchants as they are in a position to thwart the efforts of the transportation staff to supply a particular wagon by declaring it as 'sick'.

(ii) Preference is shown in the supply of stock by placing wagons near the point most convenient to the consignors.

(iii) At times, loading of wagons in excess of their carrying capacity is allowed, particularly of cattle and other livestock and minerals to save freight charges.

(iv) Deliberately unsuitable wagons are supplied for loading with a view to harassing the merchants and extracting illegal gratification. For instance, wagons smelling of kerosene oil or spoiled by coal tar etc., are supplied for loading foodgrains etc.

(v) In big goods sheds, packages are sometimes loaded short in wagons but a higher number is recorded on the seal cards and side labels of the wagons. The packages not loaded are surreptitiously misappropriated in collusion with the merchants, giving rise to claims.

(vi) In regard to the unloading of consignments, favour is shown to the merchants by placing the wagon at an advantageous point.

(vii) Placement of wagons in position for unloading is sometimes delayed to suit the convenience of the consignee, thus avoiding demurrage.

38. **Delays in transit.**—(i) Loaded wagons are sometimes detained in the yards on various pretexts such as want of room in a train or want of proper marshalling facilities in order to harass the consignors unless they pay illegal gratification.

(ii) Livestock and perishable goods wagons are detained at the intermediate marshalling yards or transshipment points with a view to extracting illegal gratification. As in these cases delays would prove disastrous, the parties readily pay what is demanded. Obtaining free supply of milk from the cattle attendants by the yard and transshipment staff is quite common.

(iii) The wagons containing perishables and livestock are intentionally damaged *en route* by the train examining staff and again made fit on receipt of gratification from the merchants.

(iv) In the case of perishables or commodities requiring quick transit, the merchants, when they find the market falling at destination, induce the railway staff at the forwarding stations or intermediate yards to detain the wagons containing such goods to facilitate obtaining afterwards claims from the Railways on the score of deterioration of goods due to delay in transit. In such cases, collusion at times takes place between the merchants and the train examining staff who deliberately mark the wagons 'sick', delaying the transit of goods, and enabling the merchant to put his claim. When gratification is refused, wagons containing perishables are deliberately delayed and the goods spoil. The Railway, in such cases has to pay heavy compensation.



**39. Overweightment and Underweightment.**—(i) Goods are often booked underweighed and the merchants pay less freight than due. This is quite common as will be noticed from the fact that, during very brief random visits of the Committee to some important goods sheds when test weightments were made, actual weights were found to be more than the invoice weights.

(ii) In cases of weightment of goods on the wagon weighbridge also, the manipulation of weightment is done recording lesser weight, enabling the merchant to pay less freight charges.

(iii) Similarly the weights of commodities are sometimes inflated at the time of booking to enable the merchants to prefer claims on the ground of pilferage.

(iv) In some cases, the sender's inflated weight is accepted without weightment thus conferring an undue advantage on the consignor to secure a heavy claim from the Railway. This applies specially to the booking of valuable goods like artificial silk, etc.

**40. Demurrage and wharfage.**—(a) **Demurrage.**—As the number of wagons available is limited, in order to make the best use of the stock available, a time limit has been fixed within which the wagons are required to be loaded or unloaded, the limit being six hours of daylight in either case. If there is a delay in loading or unloading the merchant is required to pay demurrage usually at the rate of one anna per ton or part of a ton for every hour or part of an hour based on the carrying capacity of the wagon. Often merchants are not in a position to complete loading or unloading within the prescribed time. On such occasions, unscrupulous Railway staff manipulate the timings of placement to favour merchants. This is done in the following ways :—

(i) The train examining staff declare the stock unfit for loading when the consignor is unable to bring his goods in time, thereby avoiding confiscation of the registration fee and realisation of demurrage.

(ii) Even when the merchant takes longer time, the time shown in the official records is six hours. This saves the merchants demurrage charges.

(iii) At destinations, the placement of wagons in position for unloading is delayed to suit the convenience of the consignee.

(iv) After the placement of wagon in position for unloading, if there is delay in unloading beyond the free prescribed time, the time of unloading shown in the official record is suitably manipulated to avoid realisation of demurrage charges.

(v) Sometimes, the wagons are deliberately rendered "unconnected" by removal of side labels or by suppressing the transshipment particulars, thereby facilitating non-payment of demurrage.

(vi) Wrong placement of the wagons is sometimes intentionally done, at an unloading point not nominated for a particular kind of traffic, in collusion with the yard staff, thereby saving demurrage for the consignee who is not in a position to unload his goods. At times, in big goods sheds, unloading is allowed in yard lines, which is not taken into account for the purpose of delivery, thereby giving time to the consignees to unload their wagons without payment of demurrage.

(vii) In some cases, merchants are regularly allowed to do the operations beyond the scheduled hours, even in darkness, but the timings of operation are recorded as within the scheduled daylight hours.

(viii) Sometimes, wagons for delivery are marked 'sick', thereby giving undue relief from demurrage to the consignee.

(ix) In the case of loading of wagons also, Railway operations like weighment on the weighbridge etc. are indicated as the cause of delay, when actually delay is on account of loading by the consignor.

(b) **Wharfage.**—(i) Sometimes, goods, particularly of loose and bulky type, such as minerals, pipes, bricks, etc., are brought to the goods shed in anticipation of allotment of wagons, without obtaining the relevant forwarding notes. Normally wharfage is due for stacking such goods, but it is not charged by the Railway staff at the time of actual booking of consignments.

(ii) After deliveries are effected, goods are sometimes not removed within the free time allowed. When subsequently removed, they are recorded as removed within the time allowed, thereby saving the merchant wharfage charges.

(iii) At large stations, it is possible for goods clerks to give non-arrival dates on the Railway Receipts enabling the consignee to use the Railway premises as godowns.

(iv) Sometimes consignments are rendered unconnected by removal of marks, giving scope to the favoured merchants to avoid payment of wharfage charges.

(v) Again, the gate passes, the authority for removal of goods, are ante-dated, recording removal within free time, when actually removal is done after the expiry of the same.

**41. Delivery of goods consignments.**—(i) Goods shed staff deliberately withhold delivery of consignments on the ground that the consignments do not tally with the particulars in the Railway receipt, thus harassing merchants to pay illegal gratification.

(ii) Sometimes, delivery is allowed without observing proper procedure. Goods are booked to fictitious consignees and the staff allow the delivery to the real parties though fully aware of the fraudulent nature of the transaction. Such fictitious booking is done to avoid payment of sales tax. Sometimes even the consignee is wrongly shown as a Government Department to secure allotment of wagons and at the destination, in collusion with the staff, the merchant is allowed to take delivery of the goods, using a false rubber stamp of the Government Department indicated.

(iii) In the case of consignments booked to self, delivery can be given only on production of Railway receipts duly endorsed in favour of the person taking delivery on a stamped indemnity bond executed at the forwarding station certified by the consignor. But, in some cases, when the consignee does not have enough money to release the Railway Receipt from the bankers, he obtains delivery of the consignments on the basis of an indemnity bond executed at the destination station, unendorsed by the consignor, thereby enabling the merchants concerned to take delivery of goods and release the Railway Receipt at a later date.

(iv) A large number of irregularities are committed by the Railway staff in collusion with the consignees while granting deliveries to enable the consignees to lodge inflated or fictitious claims against the Railway.

**42. Parcels traffic.**—Corrupt practices in the handling of parcels traffic are more or less of the same pattern as in the case of goods traffic. The following methods are also adopted in the booking and delivery of parcels :—

(i) **Parcels of bulky nature** which are to be booked on measurement are sometimes accepted on weight basis.

(ii) Parcels are booked as luggage on the authority of tickets issued to passengers other than those who actually offer the parcels thereby availing of free allowance on tickets and enabling the despatch of parcels by fast express and mail trains at the inconvenience of legitimate traffic.

(iii) Preference is sometimes given to certain parcels in their clearance by faster trains at the forwarding stations and at transshipment points on payment of gratification.

(iv) Where quotas are fixed for parcels, they are exceeded to favour merchants.

(v) Sometimes the parcels are booked and despatched by prohibited trains.

(vi) Guards in charge of fast trains refuse to accept parcels under the plea 'no room', though room is available, with a view to exact money.

(vii) Sometimes parcels are loaded in passenger trains even by detaining them.

43. The above are the normal modes of corruption which are generally adopted by the staff to get illegal gratification from the consignors or consignees while handling goods and parcels traffic. The list is not exhaustive. There is no limit to human ingenuity in adopting dubious methods to cause harassment or grant an undue favour. It is not necessary for all these methods or many of them to be used. Any one of them will yield enough advantage.

44. It will be observed that the advantage given to the public in most cases is at the expense of Railway revenues and sometimes at the expenses of general revenues. It is not possible for us to estimate even approximately the loss that is thus annually suffered by our Railways. It may run to an appreciable percentage of its total earnings. The popular saying is that, if corruption in the Railway ceased, the rail lines could be made of gold instead of steel.

## B. THE AMOUNT OF GRATIFICATION AND CATEGORIES OF STAFF INVOLVED.

45. The practice of collecting illegal gratification from the consignors and consignees has been reduced to a fine art. From the modes employed, it will be seen that the Railway staff can put a spoke in the wheel and prevent booking or delivery at will avoiding risk of detection and punishment. The merchant community is fully made aware of this. In order, therefore, to secure the "co-operation" of the Railway staff, they usually pay a fixed amount for booking and receiving consignments. The rates vary for smalls and full wagon loads and big and small parcels. They also vary from station to station depending upon traffic, its nature and seasonal fluctuations. The normal rates of mamul at different stations fluctuate. They vary for smalls from two annas to eight annas per package. For full wagon loads, the rates have been widely fluctuating. They were very high during the war and immediately after, when the scarcity of wagons was the greatest. They fluctuated between Rs. 200 and Rs. 500 and sometimes went as high as Rs. 1,000 per wagon. During the last few years, the wagon position has somewhat eased, and the abnormal margin of profit in business characteristic of war and post-war period has been substantially reduced. The result is that the rates of mamul have come down to about Rs. 25 per metre gauge wagon and Rs. 35 per broad gauge wagon. This is respectively the deposit fee for registration per wagon on the two gauges. This fee is supposed to be returned to the consignor when the loading is completed. In actual practice, the amount is often misappropriated by the station staff though the merchant gives the receipt for repayment. Usually Railway Receipt is given when the receipt for the refund is given in advance. There are many "Good Samaritans" who will book full wagon loads at a lower rate of mamul

sometimes even for Rs. 5 to Rs. 10 per wagon. Such rates, however, constitute the normal 'Bakshish'. Whenever any additional out of turn service is rendered, extra payment is demanded and given. The extra payment may be in cash or kind. For instance, when wagons of fresh fruits are unloaded and if demurrage is foregone, a liberal helping of fruit to all the staff concerned would be voluntarily forthcoming. A basket or two to the Station Master or the Goods Supervisor would not be considered too much. At stations from where fruits and vegetables are booked, or where they are received, the Railway staff seldom purchase these. They have not only a plentiful stock but of the best.

46. At big stations and goods sheds, many merchants find it more convenient and less costly to arrange for receipt and despatch of their goods through brokers. These brokers collect the necessary mamul from the merchants and pass it on to the station staff, retaining a percentage for themselves. Such charges would be usually shown as brokerage, cartage, wagon expenses, station expenses, etc., and it would not be easily possible to ascertain what portion covered genuine brokerage and other incidental expenses and what went as mamul. It is also possible that an unscrupulous broker may retain some portion of what is charged from the consignor for himself.

Some big merchants who transact business through their own paid servants do not pay the usual mamul on every transaction. They pay a fixed amount to the station staff either on monthly basis or at the time of festivals like Dewali, Holi, etc.

47. The system of paying mamul is so universal that the givers or takers do not think it morally wrong. There was an interesting case of a Cane Manager of a Sugar Mill issuing the following written instruction to the mill staff in charge at various sugar-cane loading centres :—

"The following payments will be made as noted below, which please note and comply :—

						Rs.	a.	p.	
Station Master	..	..	..	..	..	0	12	0	per wagon.
Guard	..	..	..	..	..	0	3	0	per wagon.
Driver etc.	..	..	..	..	..	0	2	0	per wagon.
Loading charges	..	..	..	..	..	1	4	0	per 100 Mds.

The rates of mamul may appear to be low but considering the number of wagons loaded, the amount would go into thousands. These mamuls were regularly paid as corroborated by the entries relating to the payment in the daily cane and cash reports of the Sugar Mill.

48. The question that naturally arises is, if a particular goods clerk indulges in collecting mamul, would he not be found out by his fellow workers working in the same office or at the same station. This difficulty is solved on the basis of mutual co-operation. Normally, the amount collected in the goods shed or at a station is pooled and is distributed amongst the staff in accordance with their respective importance. The supervisory staff, *viz.*, the Station Master or the Goods Supervisor, under whose very eyes this corruption goes on day after day and who cannot but detect it is thus kept 'satisfied'.

The Senior Station Masters or the Station Superintendents usually get their monthly quota from the various offices working under them. At an important station we asked a Railway employee, who gave his evidence before us as to what would be the "extra" income of the Station Superintendent. His reply was "Not less than Rs. 5,000 p.m. This I am telling you from my personal experience. The Station Superintendent has no motor car, but now, if he wants cars at the station, he can get them in the twinkling of an eye. He is like a Maharaja of his own little province. We have seen dallies being taken to his house. This is about the things that we have seen. This is apart from the money in cash he is earning which may be not less than Rs. 5,000 p.m." There are many such lucrative subordinate posts which may excite the envy of even the Members of the Railway Board. The unity evinced by such "pooled" staff is remarkable. If any one of them is in trouble, the rest run to his rescue. We were told that, when a few of the goods shed staff of an important industrial town were being prosecuted for corruption, a common fund was raised and an advocate was engaged for their defence on the fat fee of Rs. 500 per day.

49. It may be asked why the Traffic Inspectors, whose job it is to visit the stations periodically and check transactions, do not unearth and expose this system of mamul. This is due to two reasons. The first is that the inspecting officials normally check merely the various station records and see that the transactions have taken place according to the rules in force. The records are usually kept correct. Irregularities cannot be checked by mere inspection of books. But the Inspectors feel that their job is done when they have checked records and detected a few minor technical irregularities. They are not "supposed" to know the corruption that is going on. The other reason, is that the inspecting staff are also well "looked after" during their visits. Quite often, a regular "station fee" is paid to the Inspectors to prevent them from probing into the details of corruption. They are also entertained by the supply of free meals, tea, refreshments etc. by the station staff. This is considered "traditional hospitality".

50. The other question arises why are not these things detected and taken up even by the gazetted officers, who are in overall charge of Divisions or Districts. The reasons for this are varied. They would be discussed in detail in the chapter on administrative measures. It would suffice here to say that the supervision of gazetted officers at the stations is perfunctory so far as the detection and prevention of corruption are concerned.

### C. CAUSES OF CORRUPTION.

51. The causes of corruption in the goods and parcels traffic may be broadly divided as under :—

- (i) Legacy from the past.
- (ii) Lack of strong public opinion against the evil.
- (iii) Collusion of the merchants with the station staff to serve their individual interests.
- (iv) Inadequacy of wagons, sometimes artificially created by the interested parties.
- (v) Complicated procedure regarding goods booking and lack of proper publicity of the rules and regulations, restrictions and quota limitations, and the allotments made from time to time.
- (vi) Inefficient and corrupt mentality of the supervisory staff, especially Traffic Inspectors.

- (vii) Inadequate and ineffective supervision by the gazetted officers, which may be due to their being either indifferent, inefficient, overworked or themselves participating in the prevalent corruption.
- (viii) Reluctance of higher officials to exercise the disciplinary powers they possess due perhaps to the consciousness of their own inefficiency, indifference or corruption.
- (ix) The economic condition of the lower staff, who often find it difficult to balance their family budget with the prevalent high cost of living.
- (x) Corrupt and inefficient police administration which makes detection of crime and conviction difficult if not impossible.

#### D. RESPONSIBILITY OF THE USING PUBLIC.

52. In paragraph 34, under the heading A, we have described four broad methods adopted by the staff for getting illegal gratification, *viz.*, (i) collection of the *mamul*; (ii) exploiting the ignorance of the public; (iii) adopting extortionate practices; and (iv) collusion with the public.

Regarding items (ii) and (iii), it is obvious that the entire responsibility rests on the Railway employees who misuse their position to get illegal gratification. In regard to item (iv), the responsibility is equally shared by the members of the public and the Railway employees. As regards the members of the mercantile community, they often place temptations in the way of the lower staff. Also a certain section of the mercantile community think that their primary objective is to make money irrespective of any social obligations. This mentality must change. The case of the Railway employee stands on a different footing from that of the merchant and the public. The former is paid by the State to do his job efficiently and honestly, and he has accepted his post of responsibility in spite of what he considers low emoluments, because with his qualifications he could not get better job elsewhere. In India, the overwhelming mass of people have to live at a standard much lower than that of an average Railway employee. He, therefore, cannot plead his poverty for indulging in corrupt practices. In the case of high officials there can be no excuse to take additional advantages beyond their salaries and allowances.

As regards the first item, *viz.*, 'Mamul' we have been told by the Railway authorities at various levels that rail transport available to the general public is a fixed quantity on a particular day and that the same will be made available to the public whether they pay 'Mamul' or not. It was, therefore, up to the members of the public to desist from paying illegal gratification. We find it difficult to agree with this view. It misses the point of discrimination as between various claimants. It is forgotten that Railway transport, though a nationalised industry, is also a business concern. No business firm can escape responsibility by saying that the public must desist from offering temptation to their employees. If it wants to keep up its reputation for fair dealings and it must take steps to see that its employees treat customers fairly and honestly. The firm is responsible for any fraud committed by its employees. Its business suffers with its reputation. There are rival firms to cater for the same needs. However, this cannot happen in the case of Railways which are a State monopoly. But that should not make a difference so far as business morality and giving full satisfaction to the customers are concerned. It would be taking an undue advantage of the monopoly that the State enjoys to neglect this elementary business principle.

53. We also regret to say that the rules and regulations regarding booking of goods are so complex and complicated that the merchants are generally at the mercy of the local Railway authorities and, if they do not 'suitably co-operate' with the staff, the latter can adopt obstructive tactics and cause considerable difficulty, harassment and financial loss to those who do not offer illegal gratification. The initiative for eradication of corruption will therefore have to come from the Railway administration. The best way, however, will be for organised representatives of the merchant community and the representatives of the Railway administrations to come together and devise and adopt measures to eradicate corruption.

#### **E. DEFECTS IN RULES AND REGULATIONS WHICH LEAVE LOOPHOLES FOR CORRUPTION.**

54. The rules regarding goods booking on the Railway have evolved gradually with experience. These have been made and multiplied and elaborated to check corruption. Experience has shown that rules and regulations by themselves, cannot stop corruption. Rather detailed and minute rules sometimes provide more opportunities to the dishonest. On the other hand, if the rules are too flexible, the unscrupulous can gain an advantage. Any radical change in the existing rules will not, therefore, achieve the objective for which this Committee was appointed. What is needed is strong and unrelenting and impartial executive action coupled with strict supervision. However, during the course of our enquiry, we have come across certain hard cases where modifications in the existing rules or in the procedure would minimise public complaints as also minimise chances of corruption. We would therefore make a few suggestions.

55. **Classification of goods.**—Classification of certain goods for graded rates is at present rather ambiguous, leaving scope for varying interpretations. This is so specially in the case of scrap. Actual instances came to our notice where consignments accepted as scrap by the booking station were not accepted as such by the destination station, and undercharges were realised, much to the inconvenience and annoyance of the parties concerned. This confusion was going on between certain stations for months together without any serious effort being made to clarify the issue to avoid trouble to the merchants. It is necessary that such ambiguities are eliminated from the classification of goods traffic.

56. **Procedure to be followed regarding goods booking.**—The procedure adopted on different Railways for indent, allotment and supply of wagons is different, and in some cases, it is different for different sections on the same Railway. There should be a greater degree of uniformity in these matters. A chapter should also be added in the Goods Tariff published by the I. R. C. A. laying down a clear procedure for the indent, allotment and supply of wagons to guide the general public. We attach considerable importance to this, because we have found that the lack of proper information about goods booking is often exploited by the staff to their advantage. If any deviations from the standard procedure laid down are necessary on any Railway due to local conditions, such alterations should be published by the Railways concerned and should be made known widely. We have also noticed that the actual wagon allotment is made by the Gazetted officers on some Districts or Divisions and by the Chief Controllers and/or Deputy Controllers on other Divisions and Districts. In order to minimise the chances of corruption, we feel that allotment of wagons on Divisions and/or Districts should be done by an Allotment Officer in the Junior Scale. If the volume of work justifies an additional post of an Allotment Officer may be created on a temporary basis. The ultimate aim should however be to permit free booking. When the wagon position improves to that extent, these posts may be abolished.

**57. Adequate publicity regarding quotas, restrictions and allotments.**—The members of the public doubt the bonafides of the officers about wagon allotments, quota limitations, restrictions, etc. They say even when the action taken may be according to rules, they do not get the necessary information. We were also given instances where the goods shed staff took advantage of the lack of information of the general public in misleading them and extracting illegal gratification. In order to avoid this, we recommend that the information about the quotas in force, the current restrictions and the day to day allotment orders should be clearly exhibited on the notice boards and should also be supplied to local Chambers of Commerce or other mercantile associations. Where no such association exists, the higher officials should try to help the merchants to organise it. We have found that, though orders about giving wide publicity to information about restrictions, quotas, etc., are in existence, they are very often observed in the breach. Enforcement of these orders rigidly should form an important part of the duties of the District and Divisional Officers.

**58. Delay in issue of Railway Receipts for parcels and goods.**—We have come across instances where the Railway Receipts have been issued to the consignors after considerable delay. This not only causes inconvenience to the consignor but also increases chances of corruption. Strict instructions should, therefore, be issued and the staff augmented, wherever necessary, to ensure that Railway Receipts are issued on the very day that the goods or parcels consignments are accepted for booking. Failure in this respect should be viewed seriously.

**59. Declaring perishable and livestock wagons as "sick".**—We have received scores of complaints from practically all parts of the country that the train examining staff extract illegal gratification from the parties concerned under threat of declaring perishables and livestock wagons as 'sick'. Where the parties failed to make the necessary payments, such wagons were actually marked 'sick' causing considerable delay and consequent loss to the parties concerned. The Railway has sometimes to pay considerable amounts in claims due to such delays. This evil is widespread and it is necessary that special measures are taken to eradicate it. Usually such wagons are declared 'sick' while they are passing through important yards where the train examining staff are available. Hence, if any train examining staff considering it necessary to declare a wagon loaded with perishables or livestock as 'sick', they should phone up the Head Train Examiner of the station, who should immediately inspect the wagon and satisfy himself personally that the wagon is really damaged. If the wagon is declared as damaged, it should be the personal responsibility of the Head Train Examiner to ensure that the damage is rectified with the least possible delay. If, however, the wagon is beyond immediate repair, the Head Train Examiner should personally contact the Station Master or the Station Superintendent whose responsibility it will then be to arrange transhipment of the wagon within a few hours. In every case where a wagon containing perishables or livestock is declared 'sick', a joint report should be submitted by the Head Train Examiner and the Station Master or Station Superintendent concerned, within 24 hours, to the Divisional or District Officer. The District or Divisional Officers should scrutinise these reports carefully and, if any particular station is found to be indulging in this habit frequently, secret watch and surprise and confidential checks should be arranged to ascertain whether any corrupt practices are being indulged in. A register should be maintained in the Divisional or District Office, in which all particulars of such wagons should be recorded. If a wagon is falsely declared as 'sick', the person responsible must be severely dealt with.



**60. Arrangements for clearance of seasonal traffic.**—We have received pathetic accounts from merchants regarding inadequate transport for the clearance of seasonal perishable traffic such as mangoes, oranges, bananas, pan leaves, etc. Inadequacy of rail transport available for this purpose has led to widespread corruption at stations from where the seasonal fresh fruits and vegetables are booked. (An interesting instance was given to us by one of the witnesses. He booked a wagon of mangoes from Cuddappah to Delhi; but refused to pay the mamul. The Railway staff removed the wagon labels and misdirected the wagon with the result that it reached destination after 32 days when all the mangoes got rotten. Eventually the Railway had to pay a claim of Rs. 5,400). We therefore consider it essential that advance planning and adequate arrangements for the clearance of such perishable traffic should be made. In the case of orange traffic to be moved from Madhya Pradesh, we found that some sort of a programme was drawn up, but this programme was not adhered to. It is very unfortunate indeed that people should be asked to raise crops under the 'Grow More Food' campaign and they should be damaged due to inadequacy of rail transport, or because a bottleneck is created by corrupt officials. In such cases it would be no use blaming the merchants. They cannot allow their goods worth thousands of rupees to rot because they are too honest to give a bribe of a few hundred! We were told that stations from where such traffic originates are considered the most lucrative for the goods clerk and the station master and large amounts are distributed to headquarter offices to get themselves posted to these stations. We recommend that, in future, whenever any difficulty is anticipated in fulfilling the demands of such traffic as per advance programme made out, an officer should be appointed on special duty for the duration of the season to maintain a constant watch over the supply of wagons and to have proper co-ordination.

**61. Performance at transshipment points.**—The majority of the transshipment points involving break of gauge form bottlenecks as far as the flow of traffic is concerned. These bottlenecks frequently lead to congestion at the transshipment points resulting in considerable delays in the transshipment of goods. What is more, a large number of wagons thus held up give opportunities to the transshipment staff to oblige particular merchants by giving undue preference. The position at certain transshipment points is so bad that firms and big merchants appoint their own Transshipment Supervisors to anyhow arrange expeditious transshipment of their goods. The transshipment of goods at break of gauge points is purely the internal responsibility of the Railways. Yet the very fact that individual firms have to appoint their own Transshipment Supervisors is a sad commentary on the arrangements made. Apart from the delays already mentioned, thefts, pilferages and rough handling of the consignments are also quite frequent. The long term solution of this problem would be to eliminate these bottlenecks by increasing the transshipment capacity; but, in the meantime, intensive high level supervision must be ensured to put a stop to malpractices at these points. We recommend that a register should be kept at each transshipment point giving the date and time of arrival of every wagon; against each, the date and time of its placement for transshipment should also be entered. The register maintained should be shown to parties complaining of delay to satisfy them that nothing underhand has been done. This register should also be carefully scrutinised periodically by the supervising officials with a view to ensure that the wagons are transhipped in the order of their arrival. Failure in this respect should be viewed with suspicion and, if proper explanation is not forthcoming for changing the order, drastic action should be taken against the staff concerned.

There have been also instances where the transshipment of wagons was actually done by the labour supplied by the merchants who were anxious for expeditious transshipment, whereas labour charges are paid by the Railway through the contractor. In such cases the Railway staff get their share from the contractor.

**62. System of Dalals, Mukadams, Marfatias or Brokers.**—At big stations merchants usually engage brokers for booking and delivery of goods and parcels to save time and trouble. These brokers transact business at the Railway station on behalf of merchants and charge brokerage for this purpose. The brokerage charges usually include the bribe that has to be paid to the Railway staff. It is quite possible as we have said before that sometimes these brokers charge heavy brokerage from the merchants alleging that the major portion has to be given to the station staff, though in actual practice they might be giving only a small portion. But this does not happen often as the marfatias have to see that business does not pass out to other hands. We recommend that a system of licensing brokers should be introduced. The prospective brokers should be asked to apply to the Railway authorities for licences. In their applications, they should indicate the rate of brokerage that they would realise from the merchants. Local merchants must be consulted on the point of brokerage allowed. The brokers should also produce letters of authority from the merchants on whose behalf they would be working. They may be required to pay a fixed amount as licence fee. The licences should be renewable every year. The Railway should cancel the licences of any of the brokers if their working is not found satisfactory.

**63. Facilities in the goods sheds.**—During the post-war period some steps have been taken by the Railways to improve the passenger amenities such as increasing the number of passenger trains, building of waiting halls, providing more latrines, providing high level platforms at smaller stations, providing electric lights and fans at the stations, etc. The facilities for goods booking have, however, not been correspondingly improved. During the course of our tour, we visited Baroda station which has been recently provided with a first class building with very spacious waiting rooms, retiring rooms etc., at a cost of about 8 lakhs of rupees, but the facilities available in the goods sheds are still the same though the cost of the shed would have been negligible in comparison to the money spent on remodelling the station. During the course of our surprise visit to the goods shed, we found goods lying outside the covered shed and these were being damaged by rain. This was of course partly due to the negligence of the Railway staff but it was also due to the fact that the covered accommodation for stacking the goods was inadequate. We, therefore, recommend that a systematic review should be made of the goods shed facilities available at important goods booking stations and steps taken to improve these. The facilities should be in the form of increased accommodation, better lighting, waiting accommodation for the public, additional telephones, better ventilation, better approach roads, etc. Adequate provision should also be made for stacking the goods shed records neatly and carefully, so that they may be available at short notice for reference. The goods sheds at stations should give the appearance of well regulated business premises with an atmosphere of efficient and systematic management instead of the dull and slovenly appearance that they have at present. A definite amount should be allocated each year on each Railway in the Second Five Year Plan for improving the goods shed facilities.

The work required to be done by the commercial staff should be analysed periodically according to the fluctuations in the trend of traffic and, wherever necessary, additional hands should be provided to avoid delays. We came across some instances where the goods shed staff were engaging private individuals to assist them in their official work. The very fact that the staff engage outsiders at their own expense is proof positive that the staff were making considerable illicit gains.

It also indicates that the strength of staff at such stations is inadequate. What has been stated here regarding the goods sheds applies with equal force to parcel offices. That the work in the parcel offices also requires improvement will be indicated from an instance that was given to us at one important station—the capital of a State.

One parcel that was booked from Bombay on a particular date was not received by the consignee for more than ten days. The consignee's man went to the parcel office everyday asking for delivery and "N.R." was given on the railway receipt by the parcel clerk continuously for a period of one week. The party approached the Divisional Officer who sent telegrams to the junction stations for tracing the parcel. But there was no trace of the parcel. Eventually the party concerned spent an hour and a half in the parcel office and succeeded in tracing the consignment which was lying there. This is not an isolated instance. It shows that the working of parcel offices also requires to be reviewed from time to time with a view to ensuring that the facilities available are adequate and the staff provided is sufficient and efficient to transact business with speed and accuracy.

**64. Provision of a punching machine for Forwarding Notes.**—We received a number of complaints that the Forwarding Notes are often accepted by the Goods shed staff in a bunch and then they are entered in the Priority Register according to the sweet will of the Goods Shed staff who make these entries to oblige their favourite merchants. In order to overcome this drawback, we suggest the following procedure :—

Every station where the number of Forwarding Notes tendered for a full wagon load exceeds on an average ten per day or twenty in the case of smalls, should have a Forwarding Note punching machine which can punch the serial number, date and month of the year on the Forwarding Note. The serial number will commence from No. 1 from the 1st of each month. Before tendering the Forwarding Note to the Goods Clerk for registration, the party concerned will punch it in the punching machine and registration will be done in the strict punched serial order.

At stations where Forwarding Notes are accepted only after the goods have been received, punching should only be done after the full consignment has been brought to the station and at the time of accepting the Forwarding Note, the Goods Clerk must see that this condition has been complied with. If, however, a Forwarding Note is punched and tendered before complying with this condition, the Goods Clerk will give a refusal memo recording this reason and retain the Forwarding Note with him on which the same reason will be noted and acknowledged by the party. The Chief Goods Clerk or a higher official nominated by the competent authority will at the end of each day certify in a book maintained for the purpose the last serial number punched. He will then be personally responsible for locking up the machine and re-opening it the next day at the hour fixed for commencement of registration of Forwarding Notes.

(Notes):—To start with, these punching machines may be installed at a few large stations on each Railway as an experimental measure and gradually their use may be extended to other stations in the light of experience gained).

**65. Adjustment of the registration fee against the freight.**—Evidence has come before us to the effect that the Registration Fee which the consignor is required to deposit for obtaining the allotment of a full wagon load is often not refunded to him when the wagon is allotted and loaded but that this amount is pocketed by the Goods Shed staff as 'Mamul'. In order to put a check to this practice we recommend that in the case of 'paid' consignments the Registration Fee should not be refunded to the consignor but should be adjusted against the freight due to be recovered.

**66. Issue of permits for entry into marshalling yards and goods shed.**—It has come to our notice that in many marshalling yards and goods sheds, there is absolutely no check on the entry of outsiders including the Railway employees who are not on duty and these outside elements who roam about in the marshalling yards and goods shed areas are sometimes responsible for committing pilferages and thefts. We recommend that entry into marshalling yards and goods sheds should be suitably regulated by issue of identity cards or otherwise to eliminate unauthorised entry.

## CHAPTER IV

## BOOKING OF PASSENGERS AND LUGGAGE

67. Though a major part of corruption exist in the handling of goods traffic, the booking of passengers and luggage is not free from it. Here too, the last war accentuated an evil already in existence. The heavy volume of passenger traffic that had to be handled during the war and immediately after, resulting in considerable overcrowding, afforded greater scope to the unscrupulous staff to make money.

68. Though, of late, there has been some improvement, yet the prevalence of corruption in this section is so extensive that it needs urgent attention. For the sake of convenience, we will discuss it under the following heads:—

- (i) Booking of passengers,
- (ii) Booking of luggage,
- (iii) Reservation of berths,
- (iv) Fraudulent use of tickets,
- (v) Ticketless travelling,
- (vi) Harassment to illiterate passengers.

69. **Booking of passengers.**—We received universal complaints that booking windows are opened late, specially at small stations, or booking is done so slowly as to create congestion at the window, enabling the booking staff to defraud innocent and ignorant passengers. This defrauding takes many forms. Sometimes, notes of higher denomination are changed for lower denomination or dropped in the process of counting. Passengers are also overcharged or returned short change. Sometimes tickets are issued for nearer stations than asked and charged for. In the rush and hurry, often deliberately created, passengers are unable to check their tickets or the change they received back. Most of the third class passengers are too ignorant to read the fare figures or the names of stations for which the tickets asked for have been issued. Due to the non-availability of card tickets, purposely or otherwise not indented for in time, blank paper tickets are issued only on receipt of gratification from the passengers in urgent need to travel.

Quite often, the persons in charge of icevender's compartments carry passengers without tickets and/or unbooked luggage on payment of gratification. In some cases, the compartments reserved for Railway staff are similarly misused.

At times of festivals and melas, large numbers of tickets are sold through brokers at a premium.

It was also brought to our notice that the suburban tickets. We recommend that such tickets should have a photograph and signature of the owner of the ticket to facilitate check and avoid misuse.

**70. Booking of luggage.**—The modes of corruption usually adopted in this respect are :—

- (a) Free allowance on tickets issued to other passengers or tickets subsequently made "non-issued" is given on receipt of gratification.
- (b) Underweighting is made specially of luggage with owners.
- (c) Unbooked luggage is at times deliberately allowed and, on detection at the destinations, charges not realised on receipt of illegal gratification.
- (d) Prohibited articles are allowed to be carried.
- (e) Luggage tickets are sometimes issued without endorsing the word "L.B." ("Luggage booked") on tickets or passes, thus enabling the holders to carry more than the permissible quantity.
- (f) Sometimes the staff refuse to load luggage in the brakevan by the train the passenger is travelling, unless gratification is offered.
- (g) In order to allow passengers to book excess luggage on payment of nominal charges, fictitious ticket numbers are shown on luggage receipts.
- (h) Articles are carried in the Guard's brakevan, without being booked, on an understanding with the Guard.
- (i) Sometimes, unauthorised charges are levied by booking staff on eleventh hour luggage booking, exploiting the hurry of the passenger or lack of knowledge of rules.
- (j) Sometimes, the transshipment of luggage booked in the brakevan is deliberately delayed with a view to extract illegal gratification.
- (k) On payment of illegal gratification, passengers are sometimes allowed to carry heavy and bulky packages with them, much to the inconvenience of other passengers. A reasonable limit should be fixed to the luggage allowed with the passengers in the compartment and the balance should be put in the brakevan. The rule about booking bulky articles in the brakevans should be rigidly observed.

**71. Reservation of berths.**—Due to the increased number of trains and coaches put on service, the extent of overcrowding on passenger trains has decreased, particularly on long distance trains, and this has resulted in the reduction of corruption in this respect. The systematic measures adopted by the Railways to break up bogus reservation racket at big cities like Madras, Bombay, Calcutta, etc. have also been effective to a certain extent. The normal modes of corruption in regard to the reservation of berths are :—

- (1) Reservation of lower berths in preference to upper berths.
- (2) Reservation in a selected compartment.
- (3) Berths released from the roadside quota to the High Officials' quota, Military quota, or being sometimes utilised to oblige friends or
- (4) Berths reserved for Railway officials, when not required at the last moment, being given to the public on some consideration.

While corruption in regard to the reservation of berths is more frequent for upper class berths, the same is not absent for the third class seats. At terminal stations, the station porters occupy the III class seats in the carriages by spreading bedding or keeping on the seats other luggage while the rakes are still in the yard, and make them over to passengers. One ingenious mode of corruption in this respect, prevalent largely at Ahmedabad, may be cited here. If a party of say six persons travels from Ahmedabad to Bombay, they purchase 12 third class tickets and reserve a small third class compartment. A few minutes before the departure of the train, six of the tickets are returned to the booking clerk and refund obtained. Thus a party of six uses the compartment meant for twelve.

**72. Fraudulent use of tickets.**—The main irregularities in this respect are :—

- (a) While preparing blank paper tickets, passenger foils are prepared for distant destinations and/or for more number of passengers but the record and accounts foils are prepared for shorter journeys and for less number of passengers. The money thus saved is misappropriated or shared with passengers.
- (b) Long journey card tickets are sometimes issued out of series to dependable friends and relations with instructions to avoid collection and to return them to be replaced,
- (c) Clerkage charges realised from passengers on unused tickets are misappropriated and the tickets are re-issued to other passengers.
- (d) Collected tickets, but not nipped, are obtained from the destination stations and the credit is subsequently taken for them as non-issued or they are resold.
- (e) Tickets are sold in exchange of P. T. Os or concession orders to those not entitled to concession, without subscribing on them the words 'P. T. O.' or 'Concession Order'.
- (f) Bogus and blank paper tickets are printed by private bodies and used sometimes with the connivance of staff.
- (g) Tickets collected from passengers alighting at station short of destinations are resold instead of being shown as collected tickets.
- (h) Sometimes, the collected but undefaced tickets are got back in collusion with the destination station and, in some cases, also with the travelling ticket checking staff, and they are re-issued within the availability period or even outside the availability period. The amount obtained is shared by the parties to the transaction.
- (i) Sometimes, tickets are not accounted for on the date of actual sales and the money utilised for private purposes is made good by the booking clerk at his convenience at the end of the month.

- (j) Ticket numbers may be accounted for but not their value and thus payment may be deferred until an error sheet is issued and the amount is recovered by instalments from salaries, sometimes without any disciplinary action.
- (k) Two books of excess fare tickets may be in use, but tickets issued from one book only may be accounted for, the other book being shown as stolen or lost.

These modes are not exhaustive.

**73. Ticketless travelling.**—The following measures have been adopted by the Administrations to check ticketless travelling :—

- (a) **Regular checks.**—The entire ticket checking staff is subdivided into squads consisting of one Group Inspector and four Travelling Ticket Examiners. The squads are headquartered at strategic points over the entire Railway. They travel in accordance with the programme made out by the Divisional Inspector by regular train services.
- (b) **Magisterial checks.**—Checking squads attached to Railway Magistrates with Railway constables travel on trains. After checking their own trains, they make surprise raids on crossing trains. Prosecution of ticketless travellers is conducted on the spot, and punishment awarded.
- (c) **Concentrated checks.**—Squads are also used for frequently making concentrated checks on sections where widespread ticketless travelling is reported.
- (d) **Accounts checks.**—Accounts Branch also organises intensive checks at important stations with the help of the headquarters ticket checking squad.
- (e) **Special checking squads.**—There are squads of travelling ticket examiners controlled by the headquarters which make surprise checks of trains on various Divisions or Districts. They also carry out surprise raids under the direction of an officer along with the Special Railway Magistrates, Railway police and Watch and Ward staff by occasionally stopping trains between stations.
- (f) **The Pilot Scheme.**—On the North Eastern Railway, an intensive concentrated check known as the Pilot Scheme has been introduced over a given area between two selected stations for a period of a week at a time. The purport of the scheme is to withdraw all T. T. E. staff from the trains running over the selected area and to post them at each of the two stations forming the boundaries to augment the existing strength of the Ticket Collectors. The collective force of T. T. Es. and Ticket Collectors checks intensively the trains passing through the two stations, ensuring that all exits are manned by some of the T. T. E. staff. Throughout the period, there is an officer at each of the two selected stations, and the Railway Magistrate holds his court alternately at the boundary stations.

In spite of all these measures, ticketless travel is quite common on all Indian Railways, as will be seen from the following figures :—

Years.	No. of cases of ticketless travel detected.	Amounts collected.
1951-52 .. .. .	7,900,918	Rs. 1,65,58,180
1952-53 .. .. .	8,415,088	Rs. 1,66,68,073
1953-54 .. .. .	6,957,255	Rs. 1,45,12,501

(It is to be noted that these figures refer only to the detected cases).

According to the estimate given by the Eastern Railway, the loss incurred by that Railway, due to undetected ticketless travel is approximately Rs. 80 lakhs per year. This, according to us, is an extremely conservative estimate as would be seen from the recent checks that were carried out through 22 Railway Magistrates working in U. P. at a few selected spots under the direction of the Parliamentary Secretary to the Minister for Railways and Transport, for a period of one month. During these checks, 22,719 persons were detected travelling without proper tickets, and the amounts of fines recovered was Rs. 1,26,067-0-6, the T. T. Es' earnings being Rs. 31,677-3-0 and the total amount realised being Rs. 1,57,744-3-6. Increase in the window earnings in the areas served by 12 Railway Magistrates during the period of checks was of the order of Rs. 4 lakhs when compared to the corresponding figures of the previous month. This can only be attributed to the public being aware of the special checks. (The figures in respect of areas covered by the remaining ten Railway Magistrates were not yet available at the time of finalising the report). On Muzzaffarpur and Lucknow regions of the North Eastern Railway, which were being checked by one Railway Magistrate, the sale of tickets during the month in question increased by more than one lakh when compared with the corresponding figure for the previous month.

Apart from ticketless travel, travelling in higher class than that for which the ticket is held is also quite common. Instances were brought to our notice where a passenger with a lower class ticket was comfortably accommodated in a higher class, specially for the night portion of the journey, by train staff on payment of illegal gratification.

Ticketless travelling may be divided into the following four broad categories :—

- (1) Ticketless travelling in collusion with the Railway staff.
- (2) Ticketless travelling by the Railway and the Police staff and their relatives and friends.
- (3) Ticketless travelling by evading the Railway staff.
- (4) Ticketless travelling by intimidating the Railway staff.

From the evidence before us, we are definitely of the opinion that the major portion of ticketless travel comes under items (1) and (2).

How common is ticketless travelling by the police, without being challenged, will be apparent from the fact that one Railway Administration thought it fit to give a reward of Rs. 50 to a ticket collector for "tackling two Police Constables and demanding their tickets".



At many big stations which we visited, we found quite a large number of ticket checking staff who showed no inclination to check the trains. Their attitude was that of indifference. We have also received evidence to the effect that there is extensive collusion between the ticketless travellers and the checking staff.

Ticketless travel with the connivance of ticket checking staff also occurs when the ticketless traveller is a friend or relation of the ticket checking staff or the running staff on duty or the police, ordinary or Railway.

Frequently, the booking clerks at the roadside stations deliberately keep the windows closed upto the last moment, so that the passengers may be forced to travel without tickets. Such passengers are then safely escorted at the destination by the ticket checking staff in collusion with their colleagues there on payment of money which is then shared by all concerned. In this connection, a case was brought to our notice where a T. T. E. was given 22 tickets by a party for conversion to a higher class. The T. T. E. quietly returned the tickets to the booking clerk, pocketed the refund and safely escorted the party to the destination.

The checks by the Railway Magistrates do produce some effect, but unfortunately their movements are broadcast by the staff. An instance was, however, brought to our notice where a Railway Magistrate himself escorted a marriage party without tickets.

The public too must share the responsibility for ticketless travel. First they indulge in the practice to save money and secondly they show misplaced sympathy towards the culprits. In addition, beggars, mendicants and sadhus often travel without tickets, and fellow travellers shield them when accosted by the ticket checking staff. Evidence has come before us to the effect that sometimes members belonging to political parties, specially when attending party conferences, consider it their privilege to travel without tickets. There was also an instance of a Professor of a University who carried a marriage party of his son, utilising the students' concession tickets. He had gone to the extent of forging the documents to obtain the concession. Strangely enough the Special Police, instead of prosecuting the party, referred the matter to the Vice-Chancellor of the University for necessary action. The only action the Vice-Chancellor thought proper to take was to ask the Professor concerned to resign his wardenship of the hostel and that too a year after the complaint was made by the Police.

If such serious lapses of those in responsible position are viewed with indulgence, no reform is possible.

With a view to securing greater co-operation from the members of the public in tackling this problem, orders have been issued by the Railway Board authorising the members of the National Railway Users' Consultative Council to have surprise checks by the ticket checking staff in their presence. This is a step in the right direction and we would further recommend that every member who is so authorised must make it a point to have one surprise check in his presence at least every three months. A brief report, indicating the result of such a check, should be made by the member concerned and submitted to the Council. Careful scrutiny of these reports might suggest further measures for tackling this problem and these may be pursued with vigour.

To deal with the problem satisfactorily, we suggest the following further measures :—

- (a) Ticket checking on trains must be enforced as a regular measure so that no traveller normally goes unchecked, the minimum checks being :—
  - (i) at the entraining station,
  - (ii) at the detraining station, and
  - (iii) *en route* in long journey at every junction.
- (b) The so-called surprise checks must be made really surprise checks by ensuring secrecy. This can be arranged only if the plans are made and supervised at high levels. Considerable imagination and initiative are necessary to vary these plans from time to time and to keep them secret. In this connection, we consider that the out of course stoppage of a through train with a concentrated check would be useful.
- (c) It has been noticed that sometimes the ticketless travellers get down on the off side and enter another compartment, when they see the ticket checking staff entering their compartment. It would, therefore, be advisable to have a certain number of ticket checking staff in plain clothes, with proper letters of authority, to check the off side.

In addition, the following steps should continue to be taken :—

- (1) Booking facilities at stations should be reviewed from time to time and where necessary must be increased.
- (2) All station entrances and exits should be controlled properly by the staff, and proper fencing provided for.
- (3) The strength of the Ticket Collectors should be increased at rush periods.
- (4) The stoppages of passenger trains outside signals should be avoided as far as possible to prevent ticketless travellers from escaping.

It must, however, be recognised that mere surprise checks will not eliminate ticketless travelling. It can be substantially reduced if the Administrations ensure that the ticket checking staff do their duties honestly and effectively. Only when the public realise that it would be difficult to escape detection and dangerous to be caught will they desist from this evil.

So far as intimidation of the staff is concerned police officials and student parties are the worst culprits. Recently, an incident occurred at one of the towns in U. P. where a party of about 100 students were caught travelling without tickets by the Special Railway Magistrates. The party refused to pay their dues, and their colleagues, about 400 in number, under the instigation of the school authorities, attacked the train, injured the driver, the fireman and the cabin man and disabled the engine, and the train had to be worked by another engine of a goods train. Such irresponsible and anti-social acts cannot be condemned too strongly. We came across an incident where even a District Magistrate travelling without ticket, when the ticket was demanded of

him, barked at the ticket collector, " Don't you know I am the Deputy Commissioner and can arrest you for your impudence ! " When responsible officials who are expected to set an example of correct behaviour indulge in this kind of evasion, it reveals a sad state of affairs. We are of the opinion that such cases should be reported immediately to the higher authorities who should take prompt and drastic action.

Those checking staff, who at personal risk face intimidation and help in checking organised ticketless travel, should be rewarded. Sometimes, honest ticket checking staff, who are not in collusion with the Railway police, are denied necessary police protection when attacked. This should be remedied.

**74. Harassment to illiterate passengers.**—In spite of the fact that the major portion of the passenger earnings of the Railways is derived from third class passengers, most of whom are illiterate, they are the greatest sufferers at the hands of the rapacious Railway staff. Several cases were reported to us where ignorant villagers were charged more than the actual fare. When in some cases the passengers protested, they were detained and harassed. We are of the opinion that no leniency should be shown in the proved cases of harassment of poor and illiterate villagers, and removal from service can be the only appropriate punishment. We are sorry to say that instances were given to us where lady passengers travelling alone were molested by the Railway staff. This is most reprehensible. This, combined with theft in running passenger trains, has made it difficult even for educated women to travel alone. If it goes unchecked, the movement for women's emancipation and equality, which was a part and parcel of our freedom movement, will suffer a serious setback. This problem, therefore, needs special attention of the higher authorities.



## CHAPTER V

## CATERING AND VENDING

75. While providing transport for passengers, it is the duty of the Railways to look to their convenience and comfort during the course of their journey. Among other things, they must see that wholesome food is provided for passengers at suitable intervals and reasonable prices. From a very large number of complaints and also from personal experience, we have regretfully come to the conclusion that the Railways have not discharged this responsibility satisfactorily. This is largely due to two reasons. Big Catering contracts covering many stations are given to individuals and firms who have the necessary capital and influence, and who find it to their advantage to sublet them. Sometimes contracts are given to individuals and firms who have no experience in the catering trade. At one station where we made a cursory inspection, we found that a cloth merchant was given the contract of a refreshment stall. This also leads to subletting. The big contractors, in several cases, have become monopolistic in their character, specially after the war. They are known to wield great influence at high levels. We were told that it was practically impossible to dislodge them, in spite of the frequent complaints made by the public about the poor quality of foodstuffs, indifferent service and the high prices charged. We are, therefore, clearly of the opinion that some drastic changes are needed in this department, if passengers are to get good and wholesome food at reasonable prices. Also the government have been encouraging tourist traffic. The present catering on the Railways instead of encouraging this is likely to discourage it. For the tourist, improvement in food is all the more necessary as rightly no liquor is allowed to be served during Railway travel.

## A. POLICY FOLLOWED

76. The policy in regard to catering and vending was laid down in the Railway Board's circular No. 101-26-TG dated 18th May, 1951. According to this, at large stations, contracts should normally be given only to suitable professional experienced caterers of good standing. Similarly, contracts for refreshment rooms are normally to be given to experienced hoteliers or catering firms of repute. With a view to providing reasonable business to refreshment room contractors to enable them to maintain the required standard of service, contracts for both types of refreshment rooms at the same station or a group of large and small stations may be awarded to the same contractor if necessary. Contracts for restaurants are to be awarded to hoteliers or catering firms of repute having sufficient experience of Western style catering.

77. In practice what we found was the perpetuation of large contracts given to individual firms who have often little to do with catering business and who run it almost as a permanent monopoly. Sometimes, contracts for non-vegetarian food are given to parties who have never, in their lives, tasted any meat, fish or eggs. On the ex. B. N. Railway portion of the Eastern Railway, vending contracts for about 56 important stations have been given to one firm. On the ex-E. I. Railway portion of the Eastern Railway also, there are as many as 30 important stations which are served by the same firm. What is more, the same firm has also been given goods handling contracts at a number of important stations and transshipment points. (Incidentally at one of the stations, the firm was detected to have prepared false and inflated goods handling bills.) Similar position exists, though to a lesser degree, on other Railways, except in sections of the Southern Railway where departmental catering has been introduced. We were informed that these big contractors wield great influence in high quarters. One of

the members of the National Railway Users' Consultative Council in his evidence remarked that one could change the whole Railway administration but not dislodge any of these big contractors. This may be an exaggeration, but it shows how the public feel about this matter. Two other members stated that before the commencement of their meeting, a note was handed over to them asking them to support the present system and for a decrease in the licence fees. Some Railway officials also admitted that the big contractors were so influential that it was practically beyond their power to dislodge them, even when their working was found unsatisfactory. The advantages claimed by the administrations for giving contracts to a few big contractors are that (a) administratively it is easier to deal with a few of them than with a large number, (b) when the turn-over is large, there is a reasonable margin of profit without impairing efficiency or the quality of service, and (c) big contractors are able to invest money in crockery, utensils etc. The first two advantages are more illusory than real, in as much as subletting which is prohibited is extensive and the Railway authorities know it and seem to be doing nothing about it. As for item (c), the investment required is not so big that an ordinary contractor cannot afford it.

78. We have, therefore, no hesitation in recommending that the system of giving refreshment and vending contracts to big contractors should be abolished and the sooner it is done the better in the interest of the public and the fair name of the Railway administration. This is necessary also from the point of view of providing employment to middle and lower middle class people who are at present suffering from acute unemployment. We note in this connection the following observations of the Catering Committee, which submitted its report recently :

"The Committee have no doubt that catering contractors can offer proper type of food and service and still make a reasonable profit as their cost of working is bound to be lower than the departmental catering. The fact that they are in a position to give good food and service, should they so desire, is also borne out by the fact that their service on particular occasions has left little to be desired. The Committee are, therefore, convinced that the catering contractors have failed to give satisfactory service in their endeavour to make the maximum profit ignoring the needs of the average passenger who requires clean and wholesome food satisfactorily served at a reasonable price".

"The Committee feel that some catering contractors who have large holdings are not in a position to exercise adequate personal supervision over their establishments spread over a wide area or to pay due attention to public complaints to take adequate remedial measures."

We would only add that it is not "some catering contractors" but the majority of them that fail to serve the public adequately because they know that they can get away with it, if they keep on the right side of the authorities. There is one kind of corrupt practice indulged in by the staff at the stations from which both the big and small contractors suffer. This takes the form of free supplies of tea and refreshment to the station staff and sometimes to their guests even. This gives an opportunity to the contractors to give an excuse for the poor quality of service given to the public. It also leads to laxity of supervision by the station staff. This kind of corruption can be easily stopped by proper supervision and by punishing employees guilty of it. Incidentally we came across certain cases where the contractors failed to pay their licence fees to the Railways, and the amounts thus due had eventually to be written off. We suggest that steps should be taken to recover the licence fees in advance, and to clear up the outstanding arrears without delay.

## B. SUBLETTING.

79. In this connection the evidence before us confirms the following observations of the Catering Committee :—

“Several specific complaints in this connection (sub-letting) came up for consideration by the Committee. From the material made available to them, it appears that contractors were making nominal monthly or annual payments to the Railway and deriving huge profits out of these contracts by subletting them to vendors or salesmen at exorbitant rates. These vendors and salesmen were supplied with articles for preparing sweets and other eatables at a price much higher than the market price. The result was short-weight and higher charges on the sales by the vendors to the passengers. These subleasees were invariably being shown by the contractors as their employees, although, in fact, they were not employees in the correct sense of the term. By charging many times the licence fees payable to the Railway, the contractors even indulge in profiteering on a large scale. After examining all the data and the material available in this context in the Railway Board's office, the Committee came to the conclusion that sub-letting particularly in the field of vending was frequently and freely being resorted to by some contractors.”

The clause about sub-letting in catering agreements must be strictly enforced. The system of absentee middlemen making profit by merely investing a little capital and having influence in high quarters, however acquired, must be abolished.

## C. DEPARTMENTAL CATERING.

80. Departmental catering to which we have already referred is free from this kind of corruption. This system has been in existence for sometime on a large section of the Southern Railway and to a small extent on the ex-B. N. Railway portion of the Eastern Railway. In the beginning it was self supporting. At present it is not so. This is partly because the catering staff receive the same scales of pay, as in other departments, plus food. Private catering firms pay lower salaries to their staff and in the case of bearers who serve food, they pay only nominal wages, in view of the tips received. From evidence before us and from personal experience we can say that in departmental catering the quality of food is better and prices more reasonable although service needs improvement.

81. It is strange that departmental catering, the importance of which cannot be minimised, should have till recently, occupied so little of the attention of our Railways. In other countries, it is recognised that refreshments and meals on trains should be provided by the Railways at popular prices. Departmental catering is a service which should go with the running of the trains.

82. During the past two decades or thereabouts, the variety of food obtainable in ordinary hotels and eating establishments has substantially increased. Apart from providing meals, hotel and restaurants provide a wide range of cakes, sweets, snacks, confectionery, ice cream products and iced drinks. Partly as a result of war conditions, there has been a striking and sustained development of the coffee and tea drinking habit. The impact of these changes still continues and one of the results of the increased variety of food available has been an increase in profit for the hoteliers. There

is no reason why departmental catering should not provide a wide range of food and snacks and thus minimise the deficit, if, any, on the running of the organisation. In fact, the objective of the organization should be to run the catering establishment at "no profit and no loss" in the long run. If for some time to start with, departmental catering runs at a loss, the money spent may be considered as spent on advertisement. Some of it may even be put to the account of Passenger Amenities Fund.

83. However, Departmental Catering is not a panacea for all evils. While experience has shown that the quality of food is superior in departmental catering to that under the contract system, there is scope for corruption in departmental catering also, though to a lesser degree. We came across an instance where the Manager of a Vegetarian Refreshment Room run departmentally was found guilty of having accepted Rs. 50 from the contractor supplying milk, as a bribe for not reporting that the quality of milk was unsatisfactory. We have also noticed that little effort is made to solicit orders. Constant vigilance and supervision will be necessary to check such tendencies. A healthy competition between departmental catering, local catering contractors, and contracts run on co-operative basis will, we believe, act as a "spur" to attain and maintain high standard of efficient service.

84. It has become a custom with catering contractors to pay special attention to the needs of important persons both in the public life of the country and in administration. Usually catering firms get certificates for good food and service from these important persons. These certificates are then used for purposes of advertisement as also to counteract any public criticism that may arise in regard to bad quality of food supplied or services rendered. We, therefore, feel that public men and high officials should refrain from giving such certificates. They must realise that the service given to them is not of the same quality as that rendered to the general public. We say this not only from evidence received but also from our personal experience. The service that was rendered to us as members of this Committee was in complete contrast to what we were used to as private individuals. We were made conscious of this contrast when anyone of us travelled alone and was not known to be a member of the Committee.

85. We are in general agreement with the conclusions and recommendations of the Catering Committee that submitted its report recently, and particularly welcome the following steps we are told have already been taken by the Railway Board on its recommendations :—

- (i) Standardization of menu,
- (ii) Standardization of prices at a reduced level,
- (iii) Throwing open both Restaurant and Dining Cars to all classes of passengers during meal times,
- (iv) Accelerating the construction of Dining Cars of the standard design on a programme basis,
- (v) Evolving a standard design of containers in "Thalee" service.

86. We would like to make the following further recommendations :—

- (i) Wherever feasible, Co-operative societies of vendors should be given permits to vend eatables and snacks at certain stations. Initial failures in this should not deter the administration from encouraging co-operatives.

- (ii) The experiment of giving catering arrangements to social bodies should be tried on a wider scale.
- (iii) European style of catering should be maintained at Bombay, Calcutta, Delhi and other important stations likely to be visited by foreign tourists.
- (iv) Arrangements should exist for providing bread, butter and boiled vegetables in the non-vegetarian refreshment rooms.
- (v) The existing rates for the European style catering appear to us to be high. They should be revised.
- (vi) The rates for different types of catering should be subjected to periodical review.
- (vii) The members of the local Consultative Committees should be authorised to exercise surprise checks on the type of food served and report. Reports of these checks should be scrutinised during the meetings of the Committees and immediate remedial steps taken.
- (viii) Whenever possible departmental catering should be introduced.
- (ix) Big contracts should be broken up.
- (x) The Railway administrations should undertake a detailed study of the patterns of consumption of different classes of Railway users. Such a study will help the Railway administrations to obtain an idea of the possible demand and also help to establish different agencies of catering, where the demand is sufficient.
- (xi) While awarding contracts, members of the Consultative Committees should also be consulted.
- (xii) Every possible effort should be made to provide snacks in proper wrappers to promote civility and smartness, to improve the quality of tea and coffee served, and to train staff in hygienic habits. These must be considered to be fundamental and kept constantly in mind by the Railway administrations.



## CHAPTER VI

### ENGINEERING

87. While it is difficult to judge the extent of corruption in any Government Department merely on rumour, yet it can be a guide to comparative assessment. In this respect, certain Departments are considered worse than others. For instance, the Police and the Civil Public Works Departments are regarded comparatively as more corrupt than the Posts and Telegraphs and Educational Departments. In various sections of a Ministry also, some enjoy a less envious reputation than others. Within the Railways too, the Commercial and Engineering sections enjoy comparatively worse reputation than other sections. Also they have comparatively more opportunities for indulging in corrupt practices. Evidence before us also generally confirms this impression. While, in the Commercial Department, the money that passes as bribe fluctuates from time to time and place to place, depending upon the availability of transport and the ingenuity of the parties, on the Engineering side we were told the scales of illegal gratification are more or less standardised. In the latter, both on the Civil side as well as on the Railways, receiving of illegal gratification has become such a long standing convention that the relationship between the officials and the contractors has come to be regulated on a basis of percentage of the value of the contract. And yet we were told in all seriousness by many Engineering officials, including a Chief Engineer, that the rules and regulations in their department were so perfect that there was hardly any scope for corrupt practices. We were also told that there is so much competition amongst the contractors that they cannot afford to keep aside any percentage for giving as bribe to officials of the department. Also, since the Railway engineers had the heavy responsibilities of maintaining the safety of the tracks and the bridges, they could not afford to indulge in corrupt practices. If they did, they would soon be found out and called to account for having connived at defective work. We have not heard of many instances where accidents on the Railway led to any serious probe into the conduct of the engineering staff. Most of the Engineering officials who gave evidence reminded us of the wise, who see no evil, hear no evil and speak no evil.

88. From the evidence before us, we find that corruption in the Engineering Department is widespread. It is practically universal upto the level of the Inspectors. There are quite a number of Engineering officials in the senior scale who are not free from it. In certain cases, we were told corruption extends even up to the highest level.

89. While we are prepared to concede that the majority of the officials in gazetted rank refrain from taking direct monetary bribes, many of them are not above deriving indirect advantages from their position, whether at the expense of the Railways or from contractors. One thing is certain that they are unable to check corruption amongst their subordinates. This is primarily due to taking things on trust instead of making positive surprise checks on the work actually being executed.

#### AWARDING OF ENGINEERING CONTRACTS.

90. The Engineering officials are responsible for the execution of large works. Some of these are carried out departmentally and others through contracts. The system of giving contracts varies on different Railways and even on different areas of the same Railway. Beyond a certain limit, which again varies for different Railways, tenders are required to be offered in the most open and public manner possible, after giving adequate notice. Normally the rules are that the lowest tenders should be

accepted unless there are specific reasons for deviating from this course, which are required to be recorded in writing. In spite of these rules, evidence before us goes to show that contracts are given to favourite and chosen contractors. To patronise a particular contractor, the lowest tender is rejected on insufficient or technical grounds. We quote here an example of this given in the "Audit Report (Railways). 1952".

"In connection with an engineering piece-work contract relating to a certain sub-division of the Railway, three tenders were received in October 1948 in response to an open tender notice allowing three weeks for the submission of tenders. The tenders received were as under :

Tender of firm 'A'	..	Rs. 2,08,780
Tender of firm 'B'	..	Rs. 2,33,554
Tender of firm 'C'	..	Rs. 2,50,478

The Tender Committee's recommendation was as follows —

"C" is the highest tender and is, therefore, not accepted.

'A' is the lowest but this person is not known. He was contractor's agent and also a contractor for this sub-division years ago but there is nothing on record about his capabilities. He does not appear to have done any contract work since 1942.

'B' are well known contractors and have done quite good work for the Railway. They are known to be reliable and with plenty of financial backing and although they are 10 per cent higher than 'A', we recommend the tender for acceptance."

The then Chief Engineer accepted this recommendation and the contract was awarded to 'B'.

The rules provide that when the lowest tender is received from the contractor not on the approved list and the tender itself is satisfactory, steps should be taken by the Administration to ascertain whether he is capable of executing the work in a proper manner and, if the enquiries prove satisfactory, his tender may be accepted. If, on the other hand the enquiries prove unsatisfactory and the order is not placed with the contractor, the result of the enquiries is required to be placed on record.

No such enquiries were made. The Administration contend that enquiries were to be made only regarding tenders considered satisfactory and that as the then Chief Engineer did not make these enquiries, it should be deemed that the tender was not considered satisfactory for the reasons stated by the Tender Committee.

In the opinion of Audit, enquiries should be of a positive nature and the mere absence of record of a contractor's capabilities is not sufficient ground for treating his tender as not being satisfactory and for passing over it. The non-observance of the rules in this case has possibly resulted in an avoidable extra expenditure of about Rs. 25,000 to the Railway."

91. The flagrant manner in which a high official may ignore the lowest tender even after its acceptance, is again well illustrated by the following example quoted from the Audit Report (Railways), 1954 :

“The Chief Mechanical Engineer of the ex-Saurashtra Railway invited tenders in December 1950 for the handling of seaborne coal arriving at a port during 1951. The handling involved two operations *viz.*,

- (i) unloading the coal from wagons and dumping it into the yard ;
- (ii) re-loading it into the wagons subsequently as might be necessary.

The lowest tender at -/10/- per ton for each operation was accepted by him.

On a representation by another contractor who had done this kind of work in the past, the General Manager appointed him for the same work at the rate of Rs. 1/8/- per ton for each operation. The fact of this appointment was advised by him to the Chief Mechanical Engineer telegraphically on the 12th February 1951. The Chief Mechanical Engineer entered into a firm agreement, however, with the first contractor and obtained the necessary security deposit on 14-2-51. He did not advise the General Manager till the 24th April 1951 that he had already given a contract for the work to another contractor at -/10/- per ton after inviting tenders.

Though the agreement with the first contractor had not been terminated, and that with the second contractor had not been executed finally, the Chief Mechanical Engineer allowed the second contractor to handle the two shipments—one in February 1951 and another in March 1951. The formal agreement with the second contractor was executed by the Chief Mechanical Engineer on 17-5-51. The Railway Administration said that this was done apparently under the verbal orders of the General Manager. The higher rate was, however, confirmed by the General Manager in October 1951, without recording any reasons for having ignored the agreement on the basis of the lowest tender.

During the year 1951, the four shipments in all weighing 29,086 tons were either unloaded or re-loaded by the second contractor and the payments were made to him at the rate of Rs. 1/8/- per ton. The amount paid in excess of the lowest tender was Rs. 25,450/-

The first contractor who was not allowed to perform the work has claimed damages of Rs. 7,272 towards his 'loss of business'. This claim is under consideration on its merits by the Railway Administration."

92. That the Engineering officials in the higher rank also get illegal gratification from the railway contractors is illustrated from the fact that one executive engineer on the ex-B.B. & C.I. Railway was caught red-handed while accepting a bribe of Rs. 500/- from a railway contractor as illegal gratification for giving work orders of gate lodge and public amenity works at an important station. He was convicted and sentenced to undergo six months' rigorous imprisonment and to pay a fine of Rs. 1,000/- (not a very deterrent punishment by the way). In this case, the Engineering official was detected because the Railway contractor reported the matter to the Special Police

Establishment. If, however, the Engineering official has established "amicable relations" with the contractors and if he takes sufficient care in selecting suitable contractors, the chances of detection are remote if not nil. One sub-contractor on the Railways was candid enough to admit that the Railway contractors (including himself) made regular payments to the engineering officials on a percentage basis. The following percentages on the amount of their bills were indicated by him.

Executive Engineer	..	..	..	..	..	5 %
Assistant Engineer	..	..	..	..	..	5 %
PWI construction or supervisor	..	..	..	..	..	5 %
Accounts section	..	..	..	..	..	2 %
District Pay Clerk	..	..	..	..	..	1/4 %
Head Clerk of the XEN	..	..	..	..	..	1 %
Mistry/work charge	..	..	..	..	..	1 %
Miscellaneous	..	..	..	..	..	3/4 %
TOTAL						20 %

It may not be so meticulously systematic as represented here but the fact of percentages was mentioned by many witnesses, and is popularly known.

93. We understand that the Railway Board has already undertaken the work of introducing greater uniformity in awarding contracts on different Railways. The power of officers at different levels will, we learn, also be uniform. The laying down of a clear cut well defined procedure for giving contracts and strict observance of the conditions laid down will no doubt reduce favouritism etc. This is good so far as it goes. We were however, told by many independent witnesses, including an Executive Engineer, that the contractors while quoting rates make a definite provision on a percentage basis for what is to be given to the supervisory officials in the Department. The mere introduction of a uniform and clear cut procedure about awarding contracts will not, therefore, solve this problem of corruption, if the allowance of percentage to the supervisory staff has become customary in all rate quotations. The percentage thus earmarked is not always for securing the contract. It is also to ensure that no departmental hindrances arise in its execution.

#### EXECUTION OF CONTRACTS.

94. The percentage which the contractor makes allowance for giving as gratification is said to vary from 5 to 20 %. The benefit of this is in almost all cases received by the supervisory officials up to the level of an Inspector and may even extend up to the higher officials such as Assistant Engineers. If, however, the higher official is not inclined to accept a share, the contractor tries to keep him pleased by offering him presents and "dallies" on occasions. How can a contractor afford to provide for the percentage after having secured the contract in open competition? The reason why he can afford it is not far to seek. When the contractor in his quotation of rates makes an allowance for a 'percentage' to be distributed among officials, competition ranges about other items of work, percentage being the common factor. How is this extra money made up? A contract is required to be executed according to certain standard specifications. Once the supervisory officials are satisfied, specifications remain more or less on paper. All defects of omission and commission are connived at. The percentage that is

received by the supervisory officials and any extra profit derived by the contractor thereby are at the cost of the standard of work done. Also the standard of work as laid down in terms of the contract is kept sufficiently high. A little lowering of it does not always produce an immediate or appreciable effect which would result in detection. How defective work is passed by the Engineering officials, resulting in loss to the Railways, is illustrated by the following example quoted from the "Audit Report (Railways), 1952":—

"Temporary buildings were constructed in 1947 at a cost of Rs. 28,000 to house the Railway Protection Police. These buildings were not apparently built satisfactorily as even before the contractor had been paid finally, certain defects were noticed and had to be rectified by him. The police occupied the building for a few months when roofs etc. were found to be in a bad way. A further sum of Rs. 9,000/- was spent in rehabilitating these buildings which collapsed during a storm in 1950 and approximate expenditure of Rs. 37,000 incurred on the buildings including repair charges was thus infructuous."

95. During our tour, we came across a newly constructed Railway building at a cost of about eight lakhs of rupees, which had started leaking with the first monsoon.

#### PAYMENT OF BILLS TO CONTRACTORS.

96. The clerical staff who are responsible for making payments of bills to the contractors either 'on account' or in final settlement frequently charge a certain percentage before making payments. This percentage is reported to be normally 0.5 % but might in certain cases increase upto 2 %. We checked up the data regarding the submission of the bills by the contractors and the final payments and we found considerable variations not only on different divisions and districts and on different railways but in the same offices. In some cases the payments were made with extraordinary promptitude while in other cases there was delay of months without any proper reason being assigned. This would indicate that those contractors who made what is called "proper approach" or put some other pressure got their payment expeditiously.

97. On one Railway, the position regarding the delays in payments of bills had become so chronic that the administration was flooded with complaints. A joint circular was, therefore, issued on 1-7-54, laying down that the Accounts Officers should point out to bill-submitting officers every case in which bills of contractors or firms or municipalities etc. for work done or supplies made are detained in the bill-submitting offices for over a week. It was also laid down that the Financial Adviser and Chief Accounts Officer will submit a monthly statement of delayed submission of bills. We scrutinised those statements for the months of July to December 1954 and found that there were a number of cases of delay in submission of bills ranging from seven days to seventeen months.

#### EXTENSION OF TIME LIMITS.

98. In practically all contracts, the time limit is laid down and it is also stated that time is the essence of the contract. Failure on the contractor's part to complete the works by the stipulated date entitles the Railway to forfeit the contractor's security deposit. In many cases the time limit is not adhered to and the contractor is not penalised on one plea or the other. Sometimes the extended period is even more

than the original period stipulated. For instance, in one division we found that the time limit for the construction of staff quarters was frequently extended and the reason given was "departmental delays." In another case, the contractor was penalised for short supply of ballast within the stipulated period. The contractor represented that the short supply was due to "non-availability of the stacking space". The reason was accepted as valid, the penalty was refunded and an extension of three months was granted. It is rather surprising that authorities did not previously know that there was shortage of stacking space. Sometimes, the period of contract includes the monsoon also. When the work is not completed within the stipulated time, the great discovery is made that the work was held up due to "heavy rains"! Extension is then given. "Heavy rains" is such an elastic term that it may cover a few days' heavy rains which would normally mark the monsoons anywhere or an unusual inundation. The former should have been expected and provided for both by the contractor and the administration. An instance was elicited from a Railway Administration where "late posting of supervisory staff" was accepted as one of the reasons for extending the time limit.

#### DEVIATION OF CONTRACTS.

99. There are a number of cases in which the terms of the original contract are widened to include other items of work. These often enable the Engineer in-charge to favour the contractor and give him higher profits. In the case of earthwork in an important Railway construction, we came across such a deviation of contract. The original agreement for this contract was for Rs. 14,96,419 whereas the value of the contract was increased by Rs. 5,95,543—about 40%—subsequently. The reason offered for this rider agreement was "New items not originally contemplated in the tender have been included *viz.*, earthwork by contractors' own lorries. The original corresponding item was contemplated to be done with Railway earth-moving machinery. Rates negotiated with the contractor and the sanction of the competent authority obtained."

In connection with this deviation, it is interesting to note the Chief Accounts Officer's observations :

"Excluding the items under reference (items 6 and 7 of the contracts) for which payment is proposed to be made on all inclusive rates including supply of machinery, a comparison of the tenders for the three reaches of earthwork is shown in the statement attached for the various contractors and it will be seen that the contract would not have been awarded to..... as the lowest tenderer, excluding items 6 and 7 (a)."

"It is unfortunate that alternative rates were not called for in the original tender itself."

It may be that the failure in this case to call for alternative rates was not deliberate to favour a particular contractor but the fact remains that, if the alternative rates had been called for in the original tender itself, this substantial contract would have gone to another contractor at more favourable rates. Moreover, such belated transactions which could have been avoided by the ordinary vigilance of the officers are viewed with suspicion by the public and bring the administration to discredit.

100. There was another case where, after the contract for concreting of the approach road was given to a particular individual, the proportion of cement in curbing was varied from 1:3:6 to 1:2:4 and rates correspondingly increased from Rs. 153 to Rs. 179-3-0 per hundred C.ft.

101. We were also told that sometimes the work was in some items broken up and executed piecemeal so that the amount of contract was reduced for each item and came within the powers of the official concerned awarding the contract.

#### ARBITRATION CLAUSE.

102. In practically all the Engineering Contracts, there is an "Arbitration Clause" which lays down that in case of any dispute with regard to a contract between the contractor and the administration, the matter will be referred to an arbitrator whose decision will be final. Invariably the arbitrator nominated in the contract is an Engineering official. When the matter of arbitration is left in the hands of a single individual there is chance of his being influenced by the contractor to get a decision in his favour. We, therefore, recommend that there should be a board of arbitrators consisting of three officials of appropriate level, one of whom should be an Engineering Official, one an Official of the Accounts Branch and one of any other branch of the Railway.

#### MISUSE OF RAILWAY MATERIAL.

103. Practically all the Inspectors on the Engineering side have a small Stores Depot under them with considerable material stored for use on their sections. Helpings from it are often taken for private use. The furniture in the house of an Engineering Inspector is usually of the best. In the South we were told that if the bridegroom happens to be a Permanent Way Inspector, the demand for dowry in his case is considerably higher.

104. On receipt of information that a Permanent Way Inspector and a Sub-Overseer of a particular station had stored 289 bags of railway cement in their houses, a search was made by the Special Police Establishment and the cement bags were recovered. The case was referred to the Railway authorities for departmental action. Why the Special Police Establishment did not itself register a criminal case against the culprits is a matter of surprise to us. However, as a result of departmental action, the Sub-Overseer was merely demoted to the rank of a draftsman and the increment of the Permanent Way Inspector was stopped for one year. The theft of public property by Railway employees was not considered serious enough to warrant more drastic action. It is this attitude of the authorities that encourages bribery and corruption.

#### RECRUITMENT OF LABOUR.

105. The Engineering officials are allowed to recruit casual labour for temporary engineering works. At the time of recruitment, there is a great deal of corruption. The Inspector responsible for recruiting labour directly or through his clerk often charges a lump sum from every man who is thus recruited—the amount varied we were told from Rs. 50/- to Rs. 200/- per labourer employed. There were instances where the number of labourers recruited was shown as more than the actual number engaged and suitable arrangements were made for getting the required number present at pay time. The persons engaged to give merely their thumb impressions on the payroll were sometimes paid a nominal amount.

106. The Special Police Establishment received information that an Inspector and a sub-Inspector of Works at a particular station maintained bogus muster sheets of labour and misappropriated the pay of those who were never engaged. A raid was arranged on a pay day and it was found that the Sub-Inspector of Works had received salaries of two persons amounting to Rs. 130/-. They were not present but were shown as paid and the payment certificate given. The case was reported to the Railway

authorities for departmental action and as a result the Inspector of Works was merely permanently reduced to the next lower grade !

107. The following observations of the Kunzru Committee of 1947 in this connection are relevant :—

“ We are aware that the Administrations are already exercising judicious control on any increase on permanent strength of the maintenance staff but we have grave doubts if the employment of temporary labour is being controlled economically and efficiently.”

To minimise this evil, it is essential that the recruitment of casual labour and of temporary staff is kept to the minimum.

We find that the percentage of temporary gang labour to permanent gang labour fluctuates heavily on different Railways. The organisation in regard to the maintenance of the permanent way on the Indian Railways should be so improved as to ensure that this percentage does not normally exceed a figure to be determined by the Railway Board.

#### MISUSE OF LABOUR.

108. It is common practice for the Engineering officials to utilise labourers engaged, for private domestic work. Some members from the gangs are regularly employed to attend to cattle or to look after the gardens of the engineering officials or utilised for household work and even as chauffeurs. This is something which can be easily checked and stopped if there is a will to do so at higher levels. But if even at higher levels such misuse of labour occurs, the case becomes extremely difficult.

109. A few instances that we have quoted above are only illustrative. They are not merely isolated cases but are typical of what actually goes on.

110. As a matter of interest we quote below some of the corrupt practices described by the sub-committee of the three Chief Engineers of the State Governments on ‘Eradication of corruption’ in Government Engineering Services :

- “(a) Some contractors pay some percentage of bills to supervising officers to connive at their bad work.
- (b) Sometimes, no direct payment is made by the contractors, but they make supplies in kind such as household furniture, supplies on tour, costly presents at the time of marriages etc.
- (c) The ways of putting pressure on the contractors to offer bribes are : delays in giving work orders, measuring the work done and in settling claims. The Accounts staff can delay checking and passing of bills.
- (d) The officers can favour the contractors by overmeasurements or more favourable classification of excavation and overmeasurement of leads. They can also favour the contractors by relaxation of specification and sometimes by overissues of stock articles. There is great scope for corrupt practices in borrow-pits measurements.
- (e) Some corrupt practices are possible in the purchase of stores and machinery.
- (f) Sometimes wrong and insufficiently detailed estimates are submitted. The surveys even sometimes are wrong. The specifications are sometimes kept deliberately vague.



- (g) The salvage value of stores, tools and plans are sometimes undervalued and are sold to favourite parties.
- (h) Corrupt practices are possible regarding the payment of arrears of muster rolls and acquittance rolls.
- (i) Another corrupt practice is to keep accounts of completed works open for no apparent reason.
- (j) Some corrupt practices are possible concerning the use of Government vehicles.
- (k) The same applies to pilferages from the Stores specially of items such as petrol, oil etc."

The above mentioned corrupt practices which are in vogue in the Engineering Department on the Civil side are also practised with slight variations to suit conditions on the Railways.

111. The above Sub-Committee has recommended the constitution of a separate branch of Inspections and Checks directly under the Chief Engineer. An Experiment on similar lines on the Railways may also be useful. We, therefore, recommend that a checking squad consisting of three persons, one of whom should be an engineer, preferably from outside Railway services, should be formed on each Railway at the headquarters office. They should periodically go round the various divisions and/or districts and check measurements, classification, leads, specifications etc. and submit their report to the Chief Engineer direct. The usefulness of the scheme will greatly depend upon the vigour and impartiality with which the checking squad functions. Initially these posts may be created for one year and, if found useful, be extended. The anti-corruption officer of the Railway should be authorised to request the checking squad to exercise its check at particular sites, about which he has received complaints of irregularities. In such cases, the anti-corruption officer should accompany the checking squad. We also recommend that this checking squad should keep a watch on the rates offered on different divisions and districts and make periodical comparative analysis of these. Similarly it would be useful to make a comparative analysis on an inter-railway basis in the Civil Engineering Directorate of the Railway Board.

## CHAPTER VII

## COMPENSATION CLAIMS ON INDIAN RAILWAYS

112. The main function of the Railways is to sell transport for men and materials. When the Railway undertakes to carry goods by parcel, passenger or goods trains, it is understood and provided for that it will take due care of the goods entrusted to it and avoid their damage, deterioration or loss. If, however, the goods in custody suffer damage, deterioration or loss, the parties suffering are entitled to put in their claims for compensation. The amount of claims paid is, therefore, one of the indices of the efficiency and honesty of the Railways. The claims against Railways arise due to various causes. Some of these may be beyond administrative control. But a steep rise in claims figures and their remaining steadily at a high level is an indication that the day-to-day business of the Railways is not being conducted with due degree of care, efficiency and honesty.

113. To illustrate the point, we give below a statement showing the number of claims, the amounts paid by the Indian Railways and the gross earnings together with the percentage of claims paid to the gross earnings from the 1931-32 to 1953-54.

*Statement showing the number of claims, amounts paid and gross earnings of Indian Railways.*

Year.	No. of claims.	Amount paid	Gross earnings (in thousands)	Percentage of the amount paid to gross earnings.	Remarks.
1	2	3	4	5	6
		Rs.	Rs.		
1931-32	..	5,03,352	94,30,12	·05	B.B. & C.I., AB.
1932-33	..	3,66,448	93,26,14	·04	B. & N. W., B.N.
1933-34	..	2,87,405	96,35,48	·03	Burma, EB, EI, GIP
1934-35	..	2,92,159	99,12,74	·03	M. & S.M., NS, NW.
1935-36	..	3,53,028	100,19,03	·04	R. & K. and S.I. Rlys.
1936-37	..	3,02,942	104,35,37	·03	
1937-38	..	4,37,653	103,54,85	·04	
1938-39	..	34,474	103,47,30	·04	do. Except Burma
1939-40	..	34,679	107,76,95	·05	Railway.
1940-41	..	42,808	122,39,69	·06	
1941-42	..	59,300	141,20,93	·07	*
1942-43	..	62,913	163,35,47	·11	†
1943-44	..	84,253	193,50,08	·23	BA, BB & CI, EI,
1944-45	..	85,851	226,04,70	·36	GIP, Jodhpur,
1945-46	..	1,31,124	237,28,00	·61	M. & SM, NS, NW,
					OT., SI., BN., and
					Mysore Rlys.

Statement showing the number of claims, amounts paid and gross earnings of Indian Railways.—  
Contd.

1	2	3	4	5	6
1946-47 ..	83,681	90,33,649	215,44,60	·42†	Assam, BN, BB & CI, EI, GIP, M & SM, OT, SI Bikaner, Jodhpur, Mysore and NS Rlys.
1947-48 ..	1,10,603	131,41,892	176,67,74	·74	
1948-49 ..	1,60,724	226,56,836	225,65,33	1·01	
1949-50 ..	1,86,454	408,10,298	250,63,20	1·63	
1950-51 ..	1,60,895	332,61,713	262,56,65	1·27	do.—excluding Mysore but including EP Railway.
1951-52 ..	1,81,825	315,75,406	291,84,70	1·09	
1952-53 ..	1,85,548	314,08,745	270,08,83	1·16	C, E, N, NE, S and W. Railways.
1953-54 ..	1,98,792	286,69,650	270,75,28	1·06	

These figures show that there has been a very steep rise in the amount paid as claims during the war and the post-war years. Of course, these figures do not refer to the same Railways throughout. Also, an allowance has to be made for the increase in the volume of traffic and the increase in the price of commodities. Even after making allowance for these factors the amount of Rs. 4 crores paid during 1949-50 is most disturbing as it represents an increase of about 95 times over what was paid in 1938-39. Though after 1949-50 there is a slight decline, it is not substantial. The claims bill continues to be heavy. During the pre-war period, the claims figure was only about 0.05% of the gross earnings of the Railways, whereas, during the post-war year, it is more than 1%. The high figure of compensation claims paid means a heavy drain on the revenues of the Railways, badly needed for rehabilitation and development. Apart from the monetary aspect, however, the harassment this causes to the customers and loss of their goodwill is out of all proportion to the amount involved. When a person is expecting to receive a parcel of fruit and on opening it, finds stones and bricks, it is no consolation to him to receive the value of the consignment after protracted wranglings, sometimes involving a law suit, lasting for many months. In the case of manufacturers and merchants, it may mean dislocation of business involving heavy losses. In the case of coal and some other controlled commodities where a claim is pending no fresh permit is given by the controller till the claim is settled. This leads the merchant anyhow to fulfil his engagement. If people still patronise the Railways it is because of their monopolistic character. Yet in some cases as in Assam, merchants find it safer and in the long run cheaper to send tea, medicine and other articles of high value or small bulk by air and/or by river, though these may be costlier. We also found that wherever alternate road transport was available, it was preferred to Railways. Chronic delays, damage, deterioration and losses during transit and abnormal and unaccountable delays in the settlement of claims or their utter repudiation on some technical or fanciful ground were the frequent complaints made to us during the course of evidence. When it is known that, in a fairly large number of cases, the delays, damage, deterioration and loss are deliberately caused by or at the connivance of the Railway staff, the intensity of public feeling can be understood.

\* BA, B & NW, BB & CI, EI, GIP, Jodhpur, M & SM, NS, NW, R & K and SI Railways.

† BA, B & NW, BB & CI, EI, GIP, Jodhpur, M & SM, NS, NW, R & K, SI, BN and Mysore Railways.

‡ B. B. & C. I., E. I., G. I. P., Jodhpur M & S. M. N. S., O. T., S. I. BN, and Mysore Railways.

## A. CAUSES OF HIGH INCIDENCE OF CLAIMS AND REMEDIAL MEASURES.

114. The Economic Commission for Asia and the Far East, which made a special study of the prevention and speedy disposal of claims, have observed that the position in this respect had deteriorated during the war and the post-war period everywhere. According to their report, the main causes with which we entirely agree, that give rise to this abnormal situation are basically the same in all the countries. They are :

- (i) *Economic causes* such as continued shortage of essential commodities like foodgrains, textiles, medicines etc., and high prices generally, all accounting for the large number of thefts, pilferages etc.
- (ii) *Causes arising from post-war Railway operating conditions* like shortage of experienced personnel, defective rolling stock, etc. causing a general increase in misdespatches, wrong deliveries, unconnected consignments, insufficient supervision and damage by wet, leakage etc. The general increase in the volume of traffic and the inadequacy of the carrying and operating capacities to cope with the increased demand, have also resulted in delays in despatch and transit of goods.
- (iii) *Causes arising from post-war social and political conditions* such as internal unrest, violent political changes and the general lowering of respect for law and order have tended to increase the number of crimes connected with running trains and marshalling yards. Shortage of men to man the security services has made crime control more difficult.

115. The Railway Ministry is, we find, conscious of the unsatisfactory position in respect of claims and they have taken measures to bring this problem under control. Some of the important measures taken are :

- (a) In 1948, separate Claims Prevention Organisations were set up on all Railways with a view to paying continuous attention to causes giving rise to increased claims and adopting measures to combat the evil.
- (b) In early 1948-49, a special campaign was conducted for several months all over the country to ensure proper packing, labelling and marking of packages.
- (c) Regular "pack-label-mark" check-up weeks were observed throughout the country every six months.
- (d) "Stop rough handling" weeks were organised twice a year to educate the staff in the importance of careful handling of goods and careful shunting of wagons as a long-term preventive measure. A documentary film on the subject in several Indian languages has also been produced in furtherance of this campaign.

116. These measures, however, did not produce the expected or the desired results, and the incidence of claims continued to be high. The following further steps were therefore, taken :

- (1) Shri A. A. Brown, the retiring Director of Traffic in the Railway Board's office and an experienced Commercial Officer was appointed in September, 1951 to investigate the problem of claims on Indian Railways. He submitted his report in March, 1952.
- (2) Shri B. N. Mullick, Director, Intelligence Bureau, was asked by the Government of India to undertake an exhaustive enquiry into the problem of the alarming increase in crime on the Indian Railways with the object of devising measures to deal with it effectively. He submitted his report in March, 1954.
- (3) Shri S. Ramaswamy Iyer, Advocate, Madras, was appointed as an Officer on Special Duty by the Railway Board to examine the system of legal work in the Railways. He submitted his report in February, 1952.

As these three reports throw a flood of light on the problem of claims, as also on the working of the Railways in general (including inefficiency and corruption amongst the Railway staff), we will review these reports in passing as the evidence before us generally confirms the conclusions arrived at.

#### SHRI A. A. BROWN'S REPORT.

117. Shri Brown has briefly recapitulated the various factors contributing to the deterioration of condition of safe transit as under :

- (i) Dilution of staff, including the Watch and Ward staff, during the war years leading to loss of efficiency;
- (ii) Increase in the volume of traffic, both goods and coaching, without corresponding expansion of storage and conveyance facilities;
- (iii) Defective condition of rolling stock;
- (iv) Scarcity, restrictions, controls and the high prices of essential commodities, coupled with the activities of blackmarketeers, resulting in large-scale thefts and pilferages from traffic in transit;
- (v) The general increase in price level.

He further adds that the continued immunity from deterrent punishment, due largely to delay in fixing individual responsibility, explains much of the slackness still existing. While dealing with transit thefts, he observes that the Railways found it difficult to satisfy courts, in many cases, that there was no element of staff misconduct or negligence in running train thefts. In connection with yard thefts, he says that the police (Civil and Railway) were not as helpful as they could and should have been where thefts by outside agency were less obvious, due in part at least, to the well-founded belief that Railway staff were implicated. He further adds that the claims on account of pilferages were numerous and, in addition to swelling the compensation payments account, they threw a heavy burden on claims offices.

118. About the transit damages, Shri Brown makes the following pertinent remarks:

"The rough and careless manner in which even fragile goods are handled at stations must be seen to be believed. It is a common occurrence for heavy packages to be dropped from wagons to platforms. This is done quite openly and in a way which suggests that labour is not and does not expect to be taken to task. It must, however, be conceded that, if labour is not considerate of Railway interests, Railways themselves do not give much consideration to the conditions under which labour is sometimes required to work."

119. We might add that, apart from gross negligence, there is also an element of deliberate mischief in damaging the packages while handling, so that the contents of the same can be conveniently pilfered. The number of damage and Deficiency messages issued by one of the transshipment points—Bhagalpur—during 1952, 1953 and 1954 in connection with the handling of tea chest was 4,866, number of tea chests involved being 81,742. The amount of claims paid by the Eastern Railway on the tea traffic which moved mostly *via* this transshipment point during the last three financial years was Rs. 27,38,654 (upto January, 1955).

120. Shri Brown has also mentioned that there have, in recent years, been numerous reports of loss of blank Railway receipts and similar documents. When these fall into unscrupulous hands, they are used either to dupe the public thus undermining confidence in these negotiable instruments, or to obtain with the connivance of the staff, fraudulent delivery of consignments for which subsequently claims have to be paid.

121. Shri Brown further says that there are a number of departmental instructions which are more observed in their breach.

122. We feel that the recommendations of Shri Brown have not been properly implemented. To quote a small instance, one of the recommendations of Shri Brown was that the Railway should prohibit the use of hooks for lifting bagged consignments as not only do these tear the bags, but are frequently used with the deliberate object of pilfering. This recommendation was accepted by the Railway Board, and the Railways were asked to implement it. Yet, during the course of our inspection of one large goods shed, we noticed hooks still being used for lifting bags.

123. In para. 119 of his report, Shri Brown says that rapid large-scale industrial and commercial expansion within the country requires, if the Railways are to retain the valuable goodwill of their customers and effect genuine economies in claims staff and claims payments, that each group should progressively develop its Claims Prevention Organisation under the immediate direction of an officer in the Senior Scale. Unfortunately, this recommendation has not been implemented due to what we believe to be false notions of economy. On the Eastern Railway, the Claims Prevention Organisation was placed under the exclusive supervision of an Assistant Claims Officer and, there being no special sanction for the post, this officer had to be relieved of his duties and the work was distributed to other officers. Even this was objected to by the Accounts Department and approval of the Railway Board had to be obtained for continuing this arrangement. Thus, while the Railway Departments are still arguing about "the justification for creating a few extra posts", they are continuing to pay large sums as claims and losing the goodwill of their customers. We recommend that there should be a post of a Claims Prevention Officer in Senior Scale on each Zone.

### SHRI B. N. MULICK'S REPORT.

124. Shri Mullick's enquiry was not confined only to measures to be adopted against the alarming increase in crime on the Railways but to such spheres like arrangements made by the Railway Administration for the reception, storage, protection and despatch of goods. His report was ready in March 1954 and we have gone through it. According to him, about 80% of the compensation claims paid by the Railways are for losses which are due to internal causes and about 20% directly due to thefts. Without going into percentages, from the evidence that has come before us, we have come to the conclusion that majority of the cases leading to compensation claims are due to factors under the control of Railways. Even in regard to running train thefts, the Railways cannot completely be exonerated from responsibility. In a large number of such cases, the Railway staff are directly or indirectly implicated. The analysis of the internal causes given by Shri B. N. Mullick generally confirms the findings of Shri A. A. Brown. The former's report on compensation claims deals with the subject exhaustively and we are in general agreement with the findings of this report. We, therefore, strongly recommend that both the Railway and Home Ministries should take special steps for an early implementation of his recommendations in letter and spirit. We are glad to note that the Railway Ministry has already taken action on one of his most important recommendations, viz., the reorganisations, of the Watch and Ward Department of the Railways. We will revert to this subject while discussing administrative measures.

We quote here two observations of Shri B. N. Mullick :—

" It is clear that the actual standard of work and of protection and security etc. in Railway goods sheds in general is far below what one would expect in any commercial concern and certainly far below the standard one would expect to find on reading of the rules."

" The work of the staff has been extremely inefficient and negligent. They have also taken advantage of the prevailing congestion and confusion and indulged in many malpractices. The cumulative result has been an all round deterioration in the standard of work, and the goods sheds in general present a most disappointing spectacle of neglect and inefficiency."

125. A few random inspections of goods sheds and parcel offices made by us during the course of our tours confirm the validity of these observations. In one goods shed at a District Headquarters, we found that no printed forms of indemnity bonds were available for over three months. The freight outstanding was more than Rs. 70,000, reasons for heavy detentions of wagons were not recorded in the wagon register and an inward consignment of two Atta bags was found lying on the floor soiled with cow dung. In the parcel office at the same station, there were 10 inward consignments containing 16 packages lying undelivered for more than a year. Two packages containing Arhar Dal were lying undelivered for over 8 months and their condition had visibly deteriorated but no removal notice was issued though the consignee was known to the staff. At another station, 3 bales of cloth were lying undelivered on the platform for over four months. At one junction station, there were about as many as 105 condemned wagons in the yard which were being used as houses by the staff. This naturally increased the chances of pilferage etc. At some other places which we visited, on reweighing the consignments, we found that the actual weight was more than the invoiced weight. At a number of stations, the covered accommodation in the goods sheds and parcels office was found inadequate in relation to the traffic handled.

126. While dealing with the subject of staff irregularity, Shri B. N. Mullick has enumerated the methods which are adopted amongst others by the dishonest Railway subordinates to commit thefts or to facilitate their commission :—

- (i) A telegram is falsely issued declaring that a wagon has a defective seal. The intention is to detain the wagon at a roadside station on the pretext of checking and to pilfer the contents. The case is usually reported as a running train theft prior to arrival at that station.
- (ii) A wagon loaded with valuable commodities is intentionally and falsely declared as 'sick'. The wagon is then stabled for repairs at a lonely and isolated place where it is pilfered.
- (iii) A wagon is short-loaded and seals and rivets are intentionally placed defectively so that subsequent discovery of shortage may be attributed to theft. Even when seals and rivets are properly fixed, they are tampered with in the yard by a pre-arranged plan at a later stage.
- (iv) A consignment is intentionally misdespatched. Usually, seal and rivet are subsequently removed to make it into a running train theft.
- (v) Shunting of wagons containing valuable goods is deliberately carried out at isolated places of the yard to facilitate the removal of goods by gangs operating in connivance with the Railway staff.
- (vi) A loaded wagon is detained for a considerable period in a yard to allow it to be pilfered.
- (vii) Chalk marks are deliberately left on the wagons containing valuable goods to be broken into during the journey.
- (viii) A train is stopped at a pre-arranged place by the engine driver, with or without the connivance of the guard, on the pretext of vacuum or other mechanical defects giving opportunity to criminals to remove valuable properties.
- (ix) A train is deliberately stopped outside the distant signal to allow criminals to break open the wagons.
- (x) Unconnected goods are left lying in sheds for long periods without any enquiries to facilitate their removal.

127. Many of the conclusions arrived at by Shri B. N. Mullick are confirmed by the replies to our questionnaire from the Railway Administrations themselves. Some of the additional factors responsible for thefts from goods sheds, stations and marshalling yards, as given by the Administrations are :

- (i) Location of goods sheds in the heart of cities with no proper and effective fencing or walls.
- (ii) The volume of traffic has increased, but it has not been possible to provide covered and locked shed accommodation to the extent required.
- (iii) Inadequacy of goods shed staff with the result that they neglect their legitimate duties and depend on unauthorised persons for the same.



- (iv) Absence of any effective checks on the movement of labourers and dalals.
- (v) Inadequate lighting arrangements in certain sheds.
- (vi) Difficulty in the check of delivered goods loaded on lorries, thelas, etc. in the sheds.
- (vii) Inadequacy of Watch and Ward supervising staff.
- (viii) Stacking of parcels in hundreds and sometimes thousands on passenger platforms at stations where criminals taking advantage of rush of passengers do away with packages.
- (ix) Insufficiency of supervisory staff.
- (x) Inadequate provision of shed facilities.
- (xi) Absence of elementary security arrangements in the case of a number of marshalling yards.
- (xii) Connivance and negligence on the part of the Watch & Ward staff.

It is worth noting here that practically all these factors are entirely within the control of the Administrations.

#### LEGAL WORK ON RAILWAYS : SHRI RAMASWAMY IYER'S REPORT.

128. Below is a statement giving particulars of the civil suits against the Railways in connection with the payment of claims :

Year.	No. of suits filed in court (or pending from previous years) in respect of claims.	No. of suits settled out of court.	No. of suits dismissed.	No. of suits decreed	No. of suits pending.
1938-39	586	70	176	52	298
1939-40	785	123	186	51	425
1940-41					
1941-42	No figures available.				
1942-43					
1943-44					
1944-45					
1945-46	15,657	4,329	959	766	9,541
1946-47	15,536	3,192	756	764	10,844
1947-48	29,336	5,138	1,472	1,596	21,969
1948-49	62,258	11,535	4,806	7,640	38,661
1949-50	69,751	25,897	7,877	9,618	25,153
1950-51	42,388	17,290	6,473	5,754	13,196
1951-52	27,952	9,758	2,711	2,341	13,142
1952-53	24,296	6,923	2,153	1,288	14,598
1953-54	32,648	10,159	3,029	2,207	17,253

From these figures it will be clear that, though there is an improvement since 1950-51, a large number of cases are settled out of court by mutual consent. This indicates that the cases are not scrutinised carefully before repudiating the claims and allowing them to go to the courts of law. When a case is compromised, it is generally due to inadequate or faulty instructions and sometimes due to the failure of the law officer to call for full facts. We recommend that in cases involving large amounts of claims, the services of the Government Pleaders of the States concerned may be utilised both for tendering of legal opinion as well as for the conduct of the litigation of such cases.

129. The Railway Board had deputed Shri S. Ramaswamy Iyer, Advocate, Madras, on special duty to examine the system of legal work in the Railways. We have gone through his report and are in general agreement with his findings. Some of his observations are reproduced below :

"The manner in which the claims are investigated and disposed has a great deal to do with the volume of litigation. . . . . Any delay, slackness or incompetence in the investigation and decision mars the proper conduct of the suit and brings about a great deal of loss of money and prestige besides waste of time and effort of the members of the staff."

"Making allowance for the well-known uncertainty of law and litigation, a great deal of such failure (in litigation) appears to be due to wrong decisions taken to contest claims as well as other disputes. Another prominent feature of the Railway litigation is the very usual and often unjustifiable delay in the Railway Administration taking the necessary steps for the conduct of the cases or to furnish instructions to its lawyers and solicitors. The delay in the case of claims cases relating to the loss of goods is due to lack of investigation of the cause of the loss in time or with the vigour and speed required by the situation. A third feature is the great number of settlements of suits out of court and large sums paid therefor. I have felt that Railway finances have not been sufficiently protected in this matter."

\* \* \* \* \*

"Delay in dealing with disputes, before and after suit, has become a settled feature of Railway litigation. It is especially noticeable in claims cases. In almost every one of them, time is taken for filing the written statement often several times and on payment of costs."

\* \* \* \* \*

"In some cases, where the Railways feared a running train theft, they have failed to prove it and the facts would seem to suggest responsibility of the staff for the loss."

Shri Iyer has, in his report, quoted the following comments of Shri Dulat, I.C.S., District Judge, Delhi, from his letter dated 4th December, 1951 :

"The outstanding difficulty appears to be that in the Railway office, a good deal of unnecessary delay takes place, and cases have to be adjourned again and again and very often on payment of costs. . . . . Judges dealing with such cases are under the impression that sufficient interest is not being taken in the matter of preparing claims put in court and the production of evidence at the proper time,"

130. Shri Iyer has listed certain defects in the management of the legal work of the Railways, amongst which the following two require special attention :

- (1) Absence of a legal organisation in the Railway Administration adequate in competence and numbers to its present needs ;
- (2) Defective selection of lawyers.

131. Incidentally, it came to our notice that an Assistant Booking Clerk of Trivandrum Central was charged for reselling III class tickets. The case was pending in the Additional Sub-Magistrate's Court at Trivandrum, and the Clerk was under suspension for about 3 years. Such inordinate delays should be avoided.

We might add here that representatives of one of the Associations went to the extent of saying that the Railway pleaders make the cases weak on being bribed by the opposite parties.

132. As mentioned earlier, the Railway Ministry has undertaken the reorganisation of the Watch and Ward and they have appointed a retired Inspector General of Police as the Security Adviser to the Railway Board for this purpose. This Officer was requested to give his observations regarding thefts, frauds and corrupt practices indulged in by, or in collusion with, the staff and we quote below the relevant extract from his reply :

“ To attempt a survey of the thefts, frauds and corrupt practices which are indulged in by, or in collusion with, the Railway staff, resulting in loss of revenue to the Railways or claims against them, will be, I am sure, like telling an oft told tale and, therefore, hardly worthwhile. Suffice it to say that they cover a range as wide as wide can be. To take the case of thefts, for instance, the commonest variety is perhaps the theft of coal, but there is no article or commodity which can be declared to be safe. Looking back over the last few months, I am reminded of reports concerning thefts of cloth piecegoods, cigarettes, tea, medicinal goods, motor tyres, steel products, vegetable ghee, in fact, everything that is transported by rail on a large scale and is likely to find a ready market. While it is true that a large proportion of them were the work of organised gangs of outsiders, no one can deny that a good few of them were made possible through the active connivance of the Railway staff. For example, it is no secret that the shunting staff occasionally pull up a goods train containing valuable commodity at a convenient spot where it can be rifled without attracting any notice. But this is not all. Instances are not unknown when a goods train has been stopped by the running staff midway between two stations in collusion with a third party and allowed to be plundered systematically. At one time I remember, on the Bina-Kosi section of the old G. I. P. Railway, this used to be done almost regularly. The commonest method, however, which is employed to stop a goods train on the way is to disconnect the vacuum pipe and thus bring it to a forced halt. In the Gomoh-Adra, Adra-Chakradharpur or Gomoh-Hazaribagh sections, such complaint is quite common. Now and then greasing of the track in Particular localities, where gradients are steep, is also resorted to with this very object in view. So much for goods consigned to the care of the Railways for transport,

There is yet another variety of theft which is proving to be a source of great anxiety to the Railways and this concerns the theft of Railway property, particularly metal scrap and brass bearings as well as carriage fittings, in the nature of cables, dynamo-belts, batteries, fans, electric bulbs, etc., etc. Be it known that in the Eastern Railway alone the value of carriage fittings stolen in one month is in the neighbourhood of approximately Rs. 60,000 and that the responsibility of such thefts lies in a large measure, if not entirely, at the doors of the staff.

In the Central Railway, thefts of track material in the section between Bombay and Kalyan became so common at one time that the Administration felt compelled to engage a special staff of some 600 men to guard it.

As for frauds indulged in by or in collusion with the Railway staff, they are of as large a variety as can be conceived and the same remark applies to corrupt practices as well. In fact, enquiries have revealed that the compensation that the Railways have to pay annually on account of loss of goods in transit is mostly connected with cases of this sort."

Though Shri Lahiri has stated that a large proportion of thefts was the work of organised gangs of outsiders, this is not in entire agreement with the findings of Shri Mullick nor with the evidence before us. The latter indicate that there is considerable complicity of Railway staff in these also. Nevertheless what Shri Lahiri has said is disturbing enough.

133. The Government Departments usually obtain transport facilities for despatch of goods on government account on priority basis. Nevertheless, pilferages, thefts and losses of articles despatched on government account are no less. This will be evident from the following figures of the claims put forward by the U. P. Government and paid by the Railways for the losses of goods on government account :

				Amount claimed	Amount paid.
				Rs.	Rs.
1951—52 .. .. .				7,90,660	52,331
1952—53 .. .. .				19,92,449	1,00,577
1953—54 .. .. .				2,44,034	1,41,988

This will also give an idea of the proportion of the claims paid to the claims preferred. If the disparity is so great in the case of the government, where the possibility of making bogus claims is negligible, one can easily understand the disparity between the claims preferred and the claims paid to the private parties. What is more disturbing is the magnitude of the losses sustained by the ordinary Railway users.

134. It is common experience that in the case of packages of fresh fruits etc., the contents are skilfully pilfered by the unscrupulous Railway staff and replaced by stones, bricks or coal. As a matter of interest, we give here a few actual cases of this nature that came to our notice :

(i) Extract from letter No. VII F. 320MS/51/4650, dated 24-3-52 from the Director of Medical and Health Services of a Part A State, about goods transported on government account :

“ Five cases containing medicines sent by passenger train under P. W. Bill No. 240392 of 10-3-52 were taken delivery of from the Railway authorities as the conditions of the boxes appeared good and there was no tampering of the seals. These boxes were opened in the presence of the Medical Officer In-charge, Government Central Stores Depot, Lucknow, as well as the undersigned, and the following medicines were found short in one of the boxes ..... In place of the medicine articles, few pieces of stones, bricks were found in the box which have been preserved in my depot..... ”

(ii) A firm, dealing in medicines, despatches parcels from Patna to an out-agency of the same Railway on which the despatching station is situated. There were so many systematic pilferages from the parcels received by the constituent firm at the destination point that they addressed the following letter to the despatching pharmacy :

“ Lately several Railway parcels have been received by the local pharmacies containing stones only. We have received one such parcel. On enquiry, we learn that two parcels coming from you which were received yesterday contained stones only. So in view of these, we do not like that our order should be sent from Patna. We should request you to transfer our order to your Calcutta office. Hope this will be approved by you. If, however, you do not agree to this arrangement, you kindly treat these orders as cancelled.”

This will show how trade and industry are affected by corrupt and dishonest practices.

(iii) Here is a copy of the certificate of damages and shortages issued by the goods clerk of an Out-agency of the Railway on 29-10-54 :

“ The extent of damage/shortage..... One medicines case having three iron bands of which one iron band loose ; packing condition apparently was intact. Open delivery granted by C. I., Gomoh, directly without prejudice and found only three pieces of bricks and some straw. No medicine as per *beejak* was received.”

(iv) A parcel of mangoes recently booked from Lucknow to one of us (the Chairman) was also not immune from delay, damage and pilferage. The basket weighing 10 seers was booked ex-Lucknow to New Delhi *vide* P. W. Bill No. P5879 dated 13-6-1955. It was received at New Delhi after four days in a rifled condition, the weight received being only 5 seers. Most of the remaining mangoes were spoiled due to delay in transit. This could not possibly be the work of any outside agency.

135. It is rather unfortunate that some anti-social elements in the commercial community thrive on the business of receiving and selling stolen Railway property. During the course of our evidence at Kharagpur, we were actually given the names of such merchants who were alleged to receive and sell stolen property from Railway wagons and Railway workshops. On making confidential enquiries, we received a report to the effect that the allegations were true and that the persons whose names were given were notorious criminals and were receivers of properties stolen from Railway yards etc. Some of them were reported to be receivers also of stolen telegraph wires of the Posts and Telegraphs Department. The complicity of these persons was detected by the police in a large number of cases and they were under police surveillance. They had been carrying on their activities for years.

## B. CRIME ON RAILWAYS.

136. Having dealt with the internal causes leading to avoidable compensation claims, we now discuss such as are due to crime which can be prevented by external measures taken by the police. In this respect also the investigation of Shri B. N. Mullick reveals a startling and gloomy picture. In his opinion, which is confirmed by the evidence before us, there has been a steep rise in pilferages and thefts and the action taken by the Railway and the District Police leaves much to be desired.

137. Shri Mullick has summarised the complaints which the Railway Administrations, we feel, have rightly to make about the way the police deal with crime on Railways :

- (1) The standard of investigation is poor due to employment of inefficient staff on the Railway Police.
- (2) The investigation is conducted leisurely and no urgency is shown nor any interest taken in detection.
- (3) Steps taken for the prevention of crime and particularly thefts from the running goods trains are inadequate and mostly ineffective.
- (4) The District Police do not maintain effective surveillance over Railway criminals living in their jurisdiction.
- (5) There is little liaison between the Railway and the District Police for the prevention and detection of crime.
- (6) The prosecution of Railway Police cases is mostly conducted by the District Police Prosecuting staff who do not evince sufficient interest in conducting the cases.

His observations are :

“ From the reports sent to us from the States, and from what we have learnt during our discussion with Inspectors General of Police and other Police Officers, we are not satisfied that besides using the Railway Protection Police for escorting trains and patrolling yards any real effort has been made to go deeply into the causes of crime and to devise suitable remedies except in a few small sections. On the other hand, there is a growing tendency to explain away the increase by throwing blame on the Railway Administrations and attribute inefficiency and corruption of the Railway staff as the main causes for the increase of crime. Whilst we have held that inefficiency, neglect and corruption on the part of the Railway staff have no doubt led to a good deal of deterioration in the security of goods in transit, yet there are other spheres in which the disease would have responded to external treatment by the police. But this treatment has not been forthcoming both due to lack of proper study and appreciation of the problem and due to certain organic defects in the Railway Police Organisation which have seriously handicapped the work of control of crime. Unable to check crime and reluctant to acknowledge failure, the police have generally started making distinction between crime on the Railways and the crime in a State, and have taken the attitude, at least during discussions and arguments, that crime on the Railways is the responsibility of the Railway Administration and not of the State Administration. This is a wrong attitude because.....the Law makes it the duty of the police to prevent all crime both cognizable and non-cognizable in all circumstances.”

"It is a well known practice of the unscrupulous officers to keep crime in their own areas low by allowing a free hand to the criminals to carry on their activities outside their police station limits. The more unscrupulous officers may even shelter such criminals for gain and they find this to be a safe job because their crime figures are not affected by the activities of such criminals and, therefore, they are not called to question. This sense of irresponsibility in the District Police is undoubtedly the main cause which contributes to the incidence of crime on the Railways and so long as responsibility is not placed firmly on proper quarters, there is no prospect whatsoever of controlling this crime, and a source of corruption will continually remain present."

"The charge made by the Railway Administrations that in general the staff employed in the Railway Police is inefficient, has been admitted by all the Superintendents of the Railway Police in their reports and also generally by the Inspectors General of Police."

All these causes greatly contribute to a rise in the incidence of claims on Railways and they are known to the Railway and the Police Administrations. What is, therefore, required is a determined effort on the part of the Railway and Home Ministries to implement the suggestions of Shri Brown and Shri Mullick with vigour so as to bring about a substantial reduction in the claims bills of the Railways and check crime.

### C. SETTLEMENT OF CLAIMS.

138. So far we have examined the factors which result in the loss, damage or deterioration of the goods giving rise to claims. In addition, there is a great deal of corruption in the settlement of claims when they arise. We quote below an extract from the memorandum submitted by an important Chamber of Commerce, which describes vividly how claims are settled :

"For some reason or the other, settlement of claims has become a constant source of headache to the trade. Due to increasing thefts and pilferages, claims have also increased correspondingly. It so happens that as soon as a claim is filed, the claimant is approached by some person to strike a bargain. If the bargain is struck, the claim is properly settled. If not, the claim is repudiated in many cases on one pretext or the other. In a few cases even repudiated claims have subsequently been settled. The following method is adopted for settlement of claims :

As soon as a claim is repudiated, the claimant is approached by some person. A bargain is struck in such cases. The terms are generally harsh. The claimant is asked to return the letter repudiating the claim in original and lodge a fresh claim. The claim is later on settled..... Instances are available to show that even in cases where letters settling the claims have been sent to the parties, actual issue of the pay order or money order or cheques as the case may be has been held up for months—sometimes years—and reminders have gone unacknowledged. This is presumably done to compel the parties to go to the headquarters personally."

Evidence before us confirms the description given here of how claims real, fictitious or repudiated are settled and how intermediary agencies flourish at the expense of the Railways.

139. During the course of evidence, a photograph of a money order sent by one party to a Claims Inspector was shown to us. In the money order, a reference was made to the claims case in connection with which the money was being sent. In the Claims Office of one of the Railways, we found that it was a regular practice to send the office clerks to investigate the claims. This irregular practice has been continuing for years. A number of claims agencies run by retired Railway staff or their relatives have sprung up and the evidence given by the merchant community was that, if the approach to the authorities was made through these agencies, the claims were settled easily and quickly. The reason for this is obvious. How the claims staff bargain with the parties is illustrated by the following extract from the letter sent by the Manager of Akhil Bharatiya Sarva Sewa Sangh :

"The Manager, Sasta Sahitya Mandal, Allahabad, booked one consignment of one thousand copies of the book "Geeta Pravachan" whose author is revered Vinobha Bhave, *vide* P. W. Bill No. 77121 dated 24-2-55 to me for being delivered at Dauram Madhipura Railway station on North-Eastern Railway. The package was found damaged and I requested the Station Master to give open delivery and accordingly the T. I. was informed. I also sent letters to him requesting him to give me open delivery. The T. I. came and demanded money before granting open delivery. I showed my inability to pay and told him clearly that my organisation, e.g. Khadi Bhandar could not tolerate this and could not sanction this. He refused to give open delivery and went away. After that he came several times and each time I approached him and the other stations staff but in vain. I was asked in private by some of the station staff to pay something to T. I. and have an open delivery but I again showed my inability. The T. I. refused and the parcel was deliberately kept in some place where due to rains most of the books were spoiled and at last delivery was given to him by the Station Master on 6-9-45. When I insisted much the Station Master gave me a slip only and writing therein some wrong facts. I am now asked that I should pay something to the T. I. then the latter would enter in the register open delivery with real shortage ante-dated."

"There is yet another example—one consignment of clothes for winter season—all Khadi—has been booked by the Manager, Bihar Khadi Samiti on Murliganj Railway Station on North Eastern Railway on 22-10-54 per parcel way bill No. 291319 of the above date for Dauram Madhipura to be delivered to me. The consignment has reached at Dauram Madhipura Railway Station, is clearly in pilfered condition and when its weight was taken the weight was found to be 8 seers less than what it was at Murliganj Railway Station. I am requesting the station staff to give open delivery but no effect. The T. I. did also come and my Assistant Manager, Shri Janardhan Pd. Singh in my absence approached him and told him to give open delivery. He was also asked by the station staff to pay some money to the T. I. as is usually paid by other merchants of Madhipura and then open delivery could be given and they further gave out that there was no loss in giving that money as shortage will be shown more than what is found and thereby the payee was a gainer. My Assistant refused and rebuked with the result that the open delivery was not given and the parcel is lying uncared for at the station and it is being said that until something is paid no open delivery will be given."

The administration was requested to arrange a high level enquiry and report result



During the course of the enquiry, though the allegation of direct demand of illegal gratification was withdrawn, it is interesting to note the observations of the Administration in this connection :

“ There is reasonable indication that though the Traffic Inspector did not directly ask for any illegal gratification yet he expected payment of some ‘ consideration ’, and when he saw no prospect of such payment, he was disappointed and did not proceed further with the open delivery.”

If this is how the representatives of national and philanthropic institutions are treated, the fate of ordinary members of the public can well be imagined.

140. We received a number of complaints where the settlement of claims has been pending for an inordinately long time. Such chronic delay in the settlement of claims provide wide opportunities for the corrupt employees to make money. The official figures regarding the average time taken in the settlement of claims, however, appears reasonable, being about 72 days. But the bulk of the claims involves amounts below Rs. 50 which Station Masters and Inspectors are authorised to settle on the spot. These are included to arrive at the average which is misleading. We recommend that, irrespective of the amount involved, a definite time limit of three months for the settlement of a claim involving one Railway only and of six months for the settlement of a claim arising out of traffic moving on more than one Railway should be fixed and rigidly adhered to.

The inefficient handling of the legal working arising out of the repudiated claims has already been commented upon.

#### D. ASSESSMENT OF DAMAGE TO GOODS BY RAIL.

141. The Federation of Indian Chambers of Commerce and Industry in their memorandum sent to us in reply to the questionnaire indicated that the system of assessment of damage of consignments by the Railway officials sometimes leads to corrupt practices. In order to obviate this complaint we recommend that at certain stations where large claims usually arise, when the assessment of damage made by the Railway official is not acceptable to the consignee, suitable machinery for arbitration should be evolved which will be fair to Railways as well as the parties concerned. In case of arbitration, the monetary limit should be laid down.

#### E. RESPONSIBILITY OF THE RAILWAYS AS CARRIERS.

142. The Federation of Indian Chambers of Commerce and Industry have represented that the responsibility of the Railways as carriers of goods under the Indian Railways Act is very limited. If the responsibility is so extended as to give greater protection to Railway users, it may result in greater vigilance on the part of the Railway Administrations. This appears to us not to be an unreasonable demand. Once the goods are entrusted to the Railways, it is not possible for the consignor or the consignee to ensure their safe transit. It is for the Railway to ensure the safety of such goods during transit. The responsibility of the Railways should, therefore, not be that of a mere bailee but partly also that of an insurer. It has been pleaded on behalf of the Railways that, if they are considered as insurers, in the conditions now prevailing the amount of claims to be paid will be much heavier than at present, and that to meet the additional expenditure, Railways will be obliged to make substantial increase in freight rates. We feel that the rates for carriage of goods cannot in justice be increased any

further. But the Railway Administrations cannot evade their legitimate responsibility, which we hold has been greatly enhanced by the negligence, inefficiency and want of honesty of its employees and those of the police. The authorities cannot take advantage of the adverse circumstances of their own creation. We, therefore, recommend that some time limit should be prescribed for the Railways to set their house in order, after which some additional responsibility, more than that of a bailee, must be assumed by the Indian Railways at least in the case of goods accepted at Railway risk. The implications of this proposal may be examined by the Committee on Freight Structure which, we understand is shortly to be appointed.\*

#### F. LINKING UP THE FREIGHT STRUCTURE WITH TRANSIT TIME

143. We received frequent complaints of the abnormal delays in transit, due to which considerable inconvenience and financial loss were suffered by the parties affected. To act as a check to delays, we would like the following suggestion to be considered. It may be useful to import into the contract of carriage another condition, namely that the delivery should take place within a certain period of time. The time calculated should have a margin of say 50 % above that taken for normal transport of goods from one point to another. Customers who pay the normal rate would have the opportunity of having their goods transported within a period not exceeding  $1\frac{1}{2}$  times that scheduled. If this is not done, the Railways will have to pay a penalty for each day of the delay. The question whether an express delivery service between certain important stations cannot be provided on payment of a surcharge may also be examined. We recommend that these suggestions may be given to the Committee on Freight Structure referred to above, for detailed examination.




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\* Since this was written, the Committee on Freight Structure has been appointed and this point has been referred to it.

## CHAPTER VIII

## PUBLIC COMPLAINTS AND GENERAL EFFICIENCY

144. The extent of corruption in any department of Government has a close relation with its general efficiency. Wherever efficiency is low, volume of corruption increases. One clear index of general efficiency or inefficiency is the prevalent public opinion. Those who come in day to day contact with the administration are the best judges of its working. If there is general complaint from the public, there must be something fundamentally wrong. Again public opinion is influenced by the promptitude and thoroughness with which public complaints are enquired into and satisfaction afforded. This will also indicate the desire of the administration to put their house in order. Unfortunately, the feeling amongst the public and of the Railway users about the handling of complaints by the Railway Administration is almost one of despair. As an illustration of the unsatisfactory manner, in which public complaints are dealt with, we give below two typical examples out of the many that came to our notice :

(i) A gentleman came to see his daughter off at an important station leaving by a night train. She had an inter class ticket and was occupying her seat. Some railway staff changed the compartment from Inter to Second by a chalk mark and asked all the passengers to vacate or to pay the difference in fare. The gentleman paid the difference, and lodged a complaint with the General Manager. The complaint was acknowledged. The final reply was received after ten months to the effect that no compartment in the bogie was demoted or promoted on the station platform after having been occupied by lady passengers as alleged. When the gentleman concerned gave evidence before the Committee, we asked the local Railway officials to have the case re-examined. The result showed that the wrongful conversion of Inter into Second class did take place on the date and by the train in question.

(ii) A representative of a Betel Merchants' Association told us that they had made a representation to the Central Government about the supply of wagons. The matter was referred to the General Manager who referred it to Divisional authorities and so on. The net result was that when they went to the station staff for allotment of wagons, they were sneeringly told by the station master that they would now get wagons from the Central Government !

145. Various Chambers of Commerce and other public bodies and individuals gave evidence before the Committee that complaints quite often remained unacknowledged and if and when acknowledged the replies were stereotyped such as " the matter is being looked into " or " the inconvenience caused is deeply regretted " etc. Scrutiny of some of the complaint books checked by us at various stations confirmed that there was much truth in what the public alleged. Their consequent sense of helplessness was therefore natural. In one instance, a complaint made by a member of a Legislative Assembly remained unacknowledged for about a month. What is worse, is that another ex-railway employee, who had been removed from service was permitted to make an entry in the complaint book alleging that the complaint made by the M.L.A. was false. No commercial concern that cared for its good name would treat complaints made by its customers in such a cavalier way. Rather in good commercial houses the general practice is that the customer is always right.

## A. ANALYSIS OF THE COMPLAINTS RECEIVED AND DEALT WITH BY THE RAILWAYS.

146. We give below a statement showing the figures of the complaints received and dealt with by the Complaints Organizations on the different Railways during the year 1953-54 :—

S. No.	Classification of complaints	Railways						Total on all Rlys.
		N.	N.E.	S.	E.	C.	W.	
1.	Complaints re. bribery and corruption	685	528	128	222	112	*	
2.	Total No. of complaints received during the year ..	10,044	3,457	3,417	5,306	4,736	2,568	29,518
3.	Percentage of (1) to (2) .. .. .	6.82	15.27	3.75	4.18	2.36	*	
4.	No. of complaints pending for disposal at the beginning of the year .. .. .	9,570	618	346	263	682	376	11,855
5.	Total No. of complaints for disposal. (Cols. 3 & 4).	19,614	4,075	3,763	5,569	5,418	2,934	41,373
6.	No. of complaints disposed of ..	8,875	3,346	3,486	5,292	2,805	2,427	28,231
7.	No. of complaints substantiated ..	1,361	796	1,903	1,164	2,290	860	8,374
8.	Percentage of (7) to (6) .. .. .	15.3	23.8	54.6	22.0	47.7	35.4	29.6
9.	No. of complaints pending for disposal at present .. .. .	10,739	729	277	277	613	507	13,142
10.	Average time (in days) taken in disposal of cases where confronted enquiries were made ..	60	58	82	34	98	69	54
11.	Average time (in days) taken in disposal of other cases.	28	37	45	16	50	42	35

\* The Complaints Organizations does not deal with bribery and corruption cases.

These figures reveal the following unsatisfactory features which require to be remedied :—

- (i) The number of complaints received on the Northern Railway is abnormally high when compared to the similar figures on other Railways.
- (ii) The number of complaints regarding bribery and corruption dealt with in the complaints organizations on the Northern & North Eastern Railways are abnormally high when compared with similar figures of other Railways.
- (iii) The percentage of complaints substantiated to the total number of complaints disposed of is generally poor, particularly on Northern, North-Eastern and Eastern Railways. The results in this respect on the Southern Railway are comparatively better.

The bulk of the 3rd class passengers know no reading or writing. They even do not know that complaints can be made against the administration or that there are complaint books. Further when it is borne in mind that normally an individual does not want to take the trouble of writing a complaint in the Complaint Book or otherwise unless he has some genuine grievance, we feel that the percentage of the number of complaints substantiated to the number of complaints made should be much higher if they are properly handled.

The average time taken in disposal of complaint cases :

- (a) where confronted enquiries were made, and
- (b) other cases

is excessive on all the Railways except the Eastern Railway. In actual cases, our evidence goes to show that delays are often greater than indicated by these figures. Much reliance cannot be placed on these statistical figures, yet—even as they are, they indicate that the Railways are not functioning as efficiently as they should.

#### B. COMPLAINTS ORGANISATION ON RAILWAYS.

147. In 1946 the Railway Board issued a general directive to all the Indian Railways asking the individual Administrations to set up a Complaint Section charged solely with the quick and courteous disposal of complaints.

The detailed procedure to be adopted in the Complaints Section was left to individual Railways. The Complaints Section in the headquarters office was primarily for recording and processing the complaints. The actual investigation was left to the District and Divisional Offices where the system has not been uniform on all the Railways.

A comparative study of the Complaints Organization on different Railways reveals the following main points of divergence :

On some Railways, Complaints Inspectors are attached to the Zonal Headquarters and/or Regional Headquarters whereas on others, they are attached to the Divisional Headquarters. Again on the same Railway Complaints Inspectors are attached on

some Divisions but not on others. On the Divisions and Districts where there are no Complaints Inspectors, the work of investigation is left to the Commercial and Traffic Inspectors.

- (ii) The grades of the Complaints Inspectors also vary.
- (iii) On some Railways the Complaint Books are provided only at important stations whereas on others they are provided at all the stations. On some Railways the Complaint Books are provided on the Passenger Trains also.
- (iv) No clear and definite instructions appear to have been issued regarding the acknowledgement of complaints. At some places the complaints recorded are acknowledged by the Station Masters while at others the Station Masters simply docket a copy of the complaint to the District or Divisional authorities who subsequently acknowledge them.
- (v) Dealing authorities on various Railways are different. Usually the complaints are dealt with by Divisional or District Officers. On the Railways where the Complaints Inspectors are attached to the Regional Officers, the latter deal with them directly. Sometimes complaints are dealt with at Headquarters level when a Complaints Inspector is attached thereto.
- (vi) Though a column under the head 'Action taken' is usually provided in the Complaints Books, no uniform procedure is followed for filling it. At majority of the stations, the column is left blank and in some cases the Station Master's forwarding letter number is entered. The final outcome and the action taken is rarely indicated.

148. In order to put the Complaint Sections on the Railways on a satisfactory footing, we recommend that the following uniform measures be adopted :

(a) **Provision of Complaint Books.**—Complaint Books should be provided at all stations, in the Refreshment Rooms, Dining Cars and important Goods Sheds. They must be kept at a prominent place so that the complainant has ready access to them and he is not obliged to ask for it from a railway employee, who often on one pretext or the other refuses to give the book or appeals to the sympathy of the complainant and in most cases obliges him to drop the complaints. Complaint books should also be provided on passenger trains with Conductor Guards. Similarly, they should be provided in the Divisional/District/Regional Offices as well as in the offices of the Chief Operating Superintendent, Chief Commercial Superintendent and the General Manager.

(b) **Scrutiny and acknowledgment of complaints.**—The Complaint Books at the stations, in Refreshment Rooms and in the Goods Sheds should be scrutinised daily by the Station Master or the Station Superintendent. He should docket a copy of the complaint with his remarks to the Divisional or District Headquarters within 24 hours. The Divisional/District Headquarters should acknowledge the complaint within 3 days.

In the case of complaints recorded in the Dining Cars, it would be incumbent on the Manager to send a copy of the complaint with his remarks to the Divisional or District Commercial Officer of his headquarters within 48 hours. Immediately on receipt of the complaint the Divisional or District Commercial Officer concerned should acknowledge the same within three days. In the case of Complaint Books in the Divisional/District/Regional and Headquarters Office, the Complaint Books should be scrutinised daily by a Gazetted Officer nominated for this purpose who should also be responsible for acknowledging the complaint within 48 hours.

(c) **Dealing Authority.**—As the Divisional and/District Officers are the executive officers responsible for the overall working of the Divisions and Districts, the dealing of individual complaints should normally rest with them. It should be laid down that the actual dealing of complaints and the final issue of the reply should be done at a level not lower than that of a District or Divisional Officer. It should not be delegated to an Assistant Officer. In the case of complaints received in the Regional and the Headquarters Offices, after acknowledgement copies of such complaints should normally be forwarded to the District Officer concerned for investigation and report. The final reply to such complaints should, however, be issued by the Regional Officer, the Chief Operating Superintendent, the Chief Commercial Superintendent or the General Manager as the case may be.

(d) **Procedure for investigating complaints.**—Since complaints are to be dealt with by the District or Divisional Officers, there is no need to provide any Complaint Inspector attached to the Regional Officers or Headquarters Offices. Normally one Complaint Inspector should be provided on each Division or District who should receive orders from the District or from the Divisional Commercial Officer and/or Operating Officer for investigation. The Divisional or District Officer may adopt any of the following methods of investigation depending upon the nature and importance of the case :

- (i) Minor complaints received from the stations may be disposed of straight-away if sufficient material for their disposal is available.
- (ii) If the complaints are serious the District or Divisional Officer may ask the Complaints Inspector to investigate and report indicating whether the report may be submitted :
  - (a) after the check of records,
  - (b) after taking evidence of the railway staff concerned or
  - (c) after arranging a confronted enquiry.

In the case of (b) an intimation may be given to the complainant so that he may attend the enquiry if he so desires. In the case of (c), at least ten days' notice should be given to the complainant to be present at the time of the enquiry and his acknowledgment obtained as far as possible. In the case of serious complaints, the District or Divisional Officer concerned may order an enquiry by an Assistant Officer or hold an enquiry himself either on his initiative or on an order of a higher authority.

If the complaint is against some other department such as Engineering, Medical etc., the dealing officer should docket the same to the officer concerned with such complaints for enquiry and report ; but the final reply should be issued to the complainant by the dealing officer.

- (iii) The Divisional Superintendent or the Regional Officer should scrutinise at least 5 per cent. of the complaints every month to satisfy himself that they are being handled promptly and properly.
- (iv) **Time limit for finalising the cases.**—The average time in finalising the complaints cases should not exceed the following limits :

1. Fifteen days for Complaints in which confronted enquiries are not held.

2. **Forty-five days for Complaints in which confronted enquiries are held.**

In no case should the final reply to a Complaint be delayed for over three months. If it exceeds this limit, the dealing officer should be required to submit a detailed report to the General Manager who should satisfy himself that the delay was unavoidable. In case of laxity, the dealing officer should be taken to task.

(e) **The grades of Complaints Inspectors.**—As stated earlier, the grades of Complaints Inspectors vary on the same Railway as also on different Railways. We recommend that the grades of the Complaints Inspectors should be uniform and should be sufficiently high and that they should be selected from the Commercial and Traffic Inspectors. Great care should be taken in selecting the Complaints Inspectors and they should be persons of tact, honesty and integrity.

(f) **Complaints regarding bribery, corruption and fraud.**—As there is a separate Anti-Corruption Organization on each Railway, after acknowledging such complaints, the officer concerned should send a copy of the complaint to the Anti-Corruption Officer concerned by name for investigation and report. This work should not normally be given to the Complaints Inspectors.

(g) **Registers to be maintained.**—In each Divisional or District Office, a register should be maintained allotting separate pages for each station on the Division or District and brief particulars of the complaints should be entered therein serially. Final action and the time taken in disposal must also be recorded. Similar registers should also be kept for the complaints received in Regional and Zonal Headquarters.

(h) **Indication of the action taken.**—When issuing the final reply to the complainant, if the complaint is found to be incorrect, brief reasons for arriving at that conclusion should be politely indicated. If the complaint is found to be correct, the action taken to avoid a repetition of complaint in future should be stated. If any of the staff is found to be at fault, it should be clearly stated what disciplinary action has been taken (giving the defaulter's designation). A copy of the final reply should be endorsed to the Railway official who initially had forwarded the complaint or a separate advise may be sent to him on the date of the issue of the final reply so that the 'action taken' column in the Complaint Book should be a brief summary of the final reply issued to the complainant.

(i) **Scrutiny of complaints books by local Consultative Committees.**—The Complaints Books at the stations should be produced before the Local Consultative Committees at the time of their periodical meetings so that the Members can satisfy themselves that complaints are being promptly and properly attended to and that the 'action taken' column is being regularly filled.

(j) **Indication in the current time-table.**—A suitable notice should be inserted prominently in the current time-table of each Railway indicating where the Complaint Books are kept and the proper authorities to be approached. (Incidentally we would suggest that current time-table and guide books should be attractively printed in bolder type).

(k) **Investigating authority.**—Several witnesses gave evidence before us that sometimes the complaints made are sent for enquiries to the officials against whom the complaints are made. It must be specifically laid down that the Railway employee against whom a complaint is made should never be entrusted with the task of investigating into the complaint. This naturally causes suspicion about the bonafides of the Administration. The investigating authority should be of a higher level than the Railway employee concerned.



## C. GENERAL EFFICIENCY.

149. It is said that the wheels of the Government move slow. This applies to Railways with equal force. The common complaint of the public is that nothing moves on the Railways without 'special effort'—whether it is a wagon which has to move to avoid perishables deteriorating or it is a parcel clerk who has to stir himself to give delivery of a parcel ; whether it is a file which has to move for settlement of a claim or it is a Station Master who has to grant open delivery. Perusal of the report of the Kunzru Committee on the working of the Railways clearly indicates that there is plenty of scope for improvement in practically every department and we have no intention of covering the same ground. Chronic delays in correspondence, indifference to public complaints, irrelevant replies to public queries, and delays in the settlement of claims etc., are quite frequent. Sometimes, after delaying the matter for several months, the parties are informed that the previous correspondence is not traceable, and copies of the same are asked for. This general inefficiency provides ample scope for corruption. We give below a typical example of 'red-tape' :

During the course of our enquiry, we were informed by the Secretary of a Grass Merchants' Association that they had asked for permission to erect a temporary shed at a station at their own cost and had deposited the necessary amount as desired by the District Engineer but no action had been taken for more than four years by the Administration. We requested the General Manager to look into the case. He was good enough to send a detailed and frank report which threw a flood of light on how the Government machinery functions. As a matter of interest, we reproduce the General Manager's reply below :

"(1) The facts of the case are that in his letter dated 21st February, 1950 to the District Traffic Superintendent, Grant Road, the Secretary, Bombay Suburban Grass Merchants' Association, asked for permission to erect a temporary shed of 30' × 20' in the grass yard at Andheri at the cost of the Association. The purpose for which the shed was required was not mentioned.

(2) This application of the Association was forwarded by the District Traffic Superintendent, Grant Road, under his letter No. T-21/P/11 of 17th March, 1950 to the Executive Engineer concerned for remarks and return. The latter prepared a plan and sent copies of it to the District Traffic Superintendent and the District Electrical Engineer, for signature in token of their approval. The plan was signed and returned by the District Traffic Superintendent under his letter No. T-21/P/11 of 3rd October, 1950.

(3) The District Electrical Engineer also returned the plan under his letter No. DG/5/16 of 10th October, 1950 pointing out that no electrical work was involved in the proposal.

(4) From the Executive Engineer's file, it is observed that no action was taken, after receipt of District Electrical Engineer's letter and the District Traffic Superintendent reminded the Executive Engineer *vide* his letter No. T-21/P/11 of 29th April, 1952 to ascertain the progress of the case.

(5) There appears to have been some discussion on the subject, however, between the Secretary, Grass Merchants' Association and the Executive Engineer as the former in his letter dated 6th May, 1952 advised the Executive Engineer that as he would be

using old materials, the cost of the structure would be approximately Rs. 1,500. In reply, the Executive Engineer in his letter No. D-2-165 of 13th May, 1952 asked the Secretary to deposit Rs. 350 for various charges, *viz.*, rent, water, cess charges, security deposit, preparation of plan and estimate, stamping and registration of the agreement.

(6) The Secretary of the Association returned the Conditions of the Agreement duly signed and paid Rs. 350 to the Chief Cashier on 19th May, 1952.

(7) The Executive Engineer again wrote to the Secretary of the Association on 21st May, 1952, to accept two additional conditions and remit a further amount of Rs. 188 being 12½ per cent supervision charges on Rs. 1,500, the cost of the structure. The Secretary in his letter dated 4th June, 1952 to the Executive Engineer advised that he had paid the sum of Rs. 188 as per Chief Cashier's receipt No. B/7.13 of 4th June, 1952.

(8) At this stage the administrative officer under whose control the Executive Engineer works, *i. e.*, the Regional Engineer, Bombay Central, entered the picture and in his letter No. W340/2/20 of 19th June, 1952, advised the Executive Engineer that the construction of the shed was of a permanent and not of a temporary nature, and as per policy of the administration, no structure or building of a permanent or quasi-permanent nature can be erected by outsiders on the Railway land leased to them, and it was also pointed out that no supervision charge or rent is levied on temporary structure erected by licencees on Railway and leased to them. Instructions were also issued that the work should not be taken in hand till the proposal was approved by the Chief Engineer.

(9) The Secretary, Grass Merchants' Association, in his letter dated 27th June, 1952 wrote to the Executive Engineer that he intended to make a pucca structure and in reply to this, the former was advised by the latter that he should not be permitted to construct a pucca structure as personally explained to him. He was further requested to send a plan with the estimated cost for the construction of a temporary shed for his approval. In reply to this, the Secretary of the Association expressed his agreement to build a temporary structure and a plan of it was sent.

(10) The Chief Engineer in his letter No. W340/6/1 of 4th August, 1952 advised the Executive Engineer, copy to the Regional Engineer, that a building of the type referred to by the Grass Merchants' Association could not be permitted. The Secretary was accordingly advised by the Executive Engineer on 16th August, 1952 adding that arrangements were being made to refund the sum of Rs. 538.

(11) The Secretary of the Association wrote to the Chief Engineer on 20th November, 1952 pointing out that the temporary structure was required for affording shelter to their staff working in the yard. On receipt of this, the Chief Engineer, in his letter No. W115/2/1 of 19th December, 1952 called for remarks of the Executive Engineer.

(12) The Association again wrote further letters on 7-1-1953, 7-2-1953, and 12-3-1953 requesting the Administration to finalise the matter without further delay.

(13) The District Engineer in his letter of 8-7-1953, advised the Regional Engineer that as Andheri Station yard was to be shortly, remodelled in connection with the work of intensification of suburban traffic, the request for erecting a temporary structure could not be acceded to. The Regional Engineer advised the Association on 22-7-1953 that the facility asked for could not be provided in view of the proposed remodelling of the yard.

(14) The Secretary of the Association again wrote on 25-7-1953 to the Regional Engineer, copy to Chief Engineer and District Traffic Superintendent, to reserve a site in the remodelling plan for construction of the structure. On receipt of this application, the District Engineer sent two copies of a plan to the Secretary with his letter No. D-2-242 of 22nd March, 1954 for his signature. *Vide* his letter dated 2-4-1954, the Secretary suggested that the area of the structure be increased to 30' x 20' as against 25' x 10' shown in the plan.

(15) In June, 1954 the Regional Engineer addressed the Chief Engineer and mentioned that the Grass Merchants had entertained the Chief Minister of Bombay State in December, 1953, and submitted a memorandum of their requirements, and that the District Engineer had forwarded a plan. The Chief Engineer was asked to decide whether land could be licensed to the Grass Merchants' Association for the construction of a shelter for their labour. No decision was communicated.

(16) This case has been dealt with incorrectly right from the start. The rules prescribed by this Railway for the leading and leasing and licensing of Railway land are :—

“ The leasing out of Railway land is prohibited except under the specific orders of the General Manager. If it is considered that there is justification for the grant of a lease in a particular case, a detailed recommendation should be submitted to the Chief Engineer to enable him to obtain the orders of the General Manager. Except in these cases in which the General Manager approves of the grant of a lease land will not be licensed for the use of the applicant. Except under the specific orders in each case from the Headquarters Office, land should not be licensed for use for a purpose unconnected with the working of the Railway. The purposes connected with the working of a Railway are :—

- (a) Stacking of outward consignments before despatch.
- (b) Erection of bus stand for road-cum-rail transport service.
- (c) Setting up of Bulk Oil installations for storage of inward consignments of oil.
- (d) Vendors' stalls in Railway colonies.

No plot should be licensed out within 50 feet of the centre line of the nearest track, and no plot where firewood, charcoal, steam coal or other inflammable materials is to be stacked should be within 50 feet of any telegraph or telephone wires.”

(17) The acceptance of a request for the construction of a structure without ascertaining the purpose for which it was to be built was irregular. Reference to the land being ‘ leased ’ when such leasing was not permitted, was incorrect. It was also improper to ask for a deposit on account of rent, etc., before the decision had been taken to lease or license the land. What is worse is that the case was dealt with in a very dilatory manner. I regret this very much and am directing the Chief Engineer to take action to prevent this being repeated.

(18) Andheri Yard is being remodelled. It is a very congested area. It is unlikely that any land will be available for the erection of any office for the Grass Merchants' Association which is what the plan shows, although they have referred to

it as a shelter for workmen. A decision on this matter can only be taken after the remodelling has been completed. Also it has to be borne in mind that there might be requests for the licensing of land for the storage of inward consignments for which land can legitimately be licensed. For the present therefore the Grass Merchants' Association have been informed that their proposal cannot be considered. The money deposited by them has been returned, and regret has been expressed to them for the inconvenience caused.

This indicates that even the higher officials are often ignorant of the departmental rules.

150. The scant attention paid by the railway officials to the railway property including costly machinery is illustrated by the following instance that came to our notice :

One Asquith No. 3 Portable Drilling Machine was ordered against an item of " addition " in the Plant and Machinery Programme of 1948-49 for the Moti-Bagh Workshops. The machine was actually received in Nagpur on 27-6-50. Loco. Works Manager, Kharagpur suggested in October, 1950 that this drilling machine should be brought over to Kharagpur, but the Assistant Works Manager, Nagpur stated in reply that the machine could not be released. Subsequently in August, 1951, the Assistant Works Manager, Nagpur wrote to the Production Engineer, Kharagpur offering to release this machine in exchange for a German reparation Shaping Machine. This suggestion was accepted and estimates were framed and sanction obtained to the exchange. The Shaping Machine was accordingly sent by Loco Works Manager, Kharagpur on 6-12-51. On 13-11-51, Assistant Works Manager, Nagpur issued orders to his Foreman for uncoupling, packing loading and despatching the portable radial drilling machine which was then in the Boiler Shop, to the Deputy Chief Mechanical Engineer (S) Kharagpur. The machine was dismantled and packed in three wooden cases and booked to Loco Works Manager, Kharida under challan No. 388/As dated 11-2-52 and R. R. No. 86550/4 of 13-2-52. The machine was loaded in open wagon No. EP50521 and this wagon was despatched to its destination. Through a long series of mistakes, this wagon found its way to the Reclamation Yard of Kharagpur on 26-2-52 where the contents were unloaded and released on 5-3-52. The three cases containing the dismantled machine costing about Rs. 21,000 remained uncared for until eventually it was sold off through public auction as condemned machine for a paltry sum of about Rs. 5,100 on 24-4-53. Any comments on these transactions are superfluous.

151. During the course of our tours a large number of complaints were made to us regarding delays in transit of goods and parcels. At Bombay we were informed that sometimes it took a fortnight for the goods to reach Poona. We found that the parcels booked from Howrah for stations in Assam, often took more than a month to reach their destinations. In this connection we note here the complaint recently voiced by one of the Members of the Parliament from Assam in the Lok Sabha. He stated that the people of Bombay had collected clothes for the flood stricken people of Assam in June last year. These clothes were sent by rail in the month of June last year. But the clothes reached Assam only in February this year, nearly 8 months after they had been sent. What is more, a good portion of the clothes was found missing—pilfered in transit mainly at Siliguri. Such a state of affairs indicates that the general efficiency on the railways is at a low ebb. It is true no doubt that some improvement in the operating position has been effected in the recent past; yet the position even today is far from satisfactory. An all round toning up of efficiency on the Railways is essential.

## CHAPTER IX

## INTERNAL WORKING OF THE RAILWAYS

152. Corruption amongst the Railway staff in their dealings with the public is closely interlinked with corruption *inter se*. If a station is known to afford opportunities for extra income, efforts are made by the staff to get themselves posted to such "paying" stations by influencing those in charge of postings. This may take the form of undue influence or payments in cash or kind. A number of witnesses informed us that large sums, sometimes varying from Rs. 5000 to Rs. 20,000 were paid to secure postings to important "paying" stations. Having made such heavy payments, the employee tries to make good the "loss" and also earn extra money. The total earnings made by a station master or goods clerk at such "paying" stations may well excite the envy of a General Manager or a Member of the Railway Board.

MODES OF CORRUPTION AMONGST THE STAFF *INTER SE* :

153. As at every point of contact with the public, there are opportunities for corruption, so also such opportunities exist amongst employees wherever there is point of contact of one employee with another. The chances of such corruption are greater where there is an immediate point of contact between an employee and his superior. If the latter is prone to corruption, the employees under him must fall in line with his wishes. They, in turn, "make good the loss" by exploiting those who are working under them and by extracting money from the public. In the case of corruption at the expense of the public, there is apprehension of complaints. In the cases of corruption *inter se*, the chances of complaints against superiors or those working in the offices are much less. The latter by virtue of their position can constantly harass the complaining employees. Corruption normally practised *inter se* is in respect of :—

- (i) Appointments.
- (ii) Training of Railway employees.
- (iii) Increments, promotions, leave, passes, P. T. Os. and postings.
- (iv) Selection Boards.
- (v) The Medical Department on the Railways.
- (vi) Misuse of Railway materials.
- (vii) Misuse of Railway labour.

154. **Appointments.**—There are four classes of Railway employees, *viz.*, class I, II, III and IV. The recruitment of class IV employees is made directly by the executive officers concerned. No uniform system has been evolved in this matter. In the majority of cases, recruitment is done by the Executive Officer or an Assistant Officer after a brief interview with the candidate. As the selection depends entirely on one individual, the chances of nepotism, favouritism and corruption are very great, unless the authorities at higher levels are extra-careful. We regret to record that we have received complaints to the effect that sometimes a fixed amount of anything between Rs. 50 and 200 is charged for making an appointment in class IV service. To minimise the possibility of corruption in class IV appointments, we recommend that such recruitment should be done only through Recruitment Boards with some officers belonging to departments other than those for which recruitment is made. Certain criteria for the selection should be laid down and adhered to. Also, complaints of this nature should be promptly inquired into.

Recruitment of class III Railway employees was formerly made through Selection Boards. This policy was gradually changed and recruitment is now made through the Railway Service Commissions completely independent of the Railway Administrations. At present, there are four such Railway Service Commissions with headquarters at Allahabad, Bombay, Calcutta and Madras. Each Commission has usually two to three Members and they are appointed from amongst the retired Government officials with administrative or judicial experience. We feel that the Chairman of the Commission should not, as far as possible, be a retired Government Official.

We have received complaints about the Bombay Railway Service Commission that certain individuals act as agents and somehow secure jobs on payment of fees ranging from Rs. 50 to Rs. 300. The amount is usually collected at the time of giving the application forms. One Railway employee (Progressman in a mechanical workshop) was recently caught by the Special Police Establishment while accepting a bribe of Rs. 100 from a party, to secure a job for the latter through the Railway Service Commission. This man was in regular correspondence with the Chairman of the Railway Service Commission. Such intimacy is likely to create misunderstanding in the mind of the public and should be avoided.

There is no direct recruitment to class II service, but the employees in class III who show intelligence, initiative and ability are promoted to that class, depending upon the number of vacancies available. Such promotions are made on the recommendations of Selection Boards consisting of Heads of Departments. The Selection Boards consider the personality of the candidates, their service records, confidential reports and recommendations of the District and Divisional Officers. We suggest that the question of honesty and integrity of the candidates should be given greater emphasis.

The recruitment of class I officers is normally made through the Union Public Service Commission. The selection is made after a stiff test, both written and oral. We have no suggestion to make for any change in the existing procedure.

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**155. Training of Railway employees.**—The newly recruited class III staff are given training in Area Schools under the charge of each Administration. We attach considerable importance to this initial training when young men are launched on their career. In addition to a thorough knowledge of the rules and regulations and the normal duties that employees would be required to perform, there should be a training in character building, laying emphasis on courtesy, honesty, straightforwardness and their responsibility as citizens of a free and democratic country. Therefore, the officers in charge of the Area Schools should be carefully selected. Their honesty and integrity must be above reproach. We were informed that there were complaints of favouritism and nepotism exercised in passing the candidates about an officer in class II who was in charge of an Area School. Reports were also received that heavy fees were charged from the candidates for declaring them "passed". These complaints disappeared when a specially selected officer in Class I service was put in charge of the Area School. In addition to the normal course of training given to the officers, lectures by the Heads of Departments and General Managers on the duties and responsibilities of the officers to keep the Administration clean should be arranged. Canons of financial propriety, absolutely impartial dealings with the staff under them and allied matters should form the subject matters of these lectures. Public men working in the political and social fields should also be periodically invited to impress on the trainees the importance of their social responsibilities in the discharge of their duties.

Perusal of the report of the Accidents Enquiry Review Committee indicates that the facilities for initial training and refresher courses for class III and IV staff on the Railways are inadequate. Provision for greater facilities on a programmed basis is essential.

**156. Increments, promotions, leave, passes, P.T. Os. and postings.**—We have received evidence that the line staff have to keep the clerical staff of the District, Divisional or the Head Offices "well pleased" for ensuring that their increments and normal promotions are given on due dates and that they get their leave, passes and P. T. Os according to rules. Sometimes Station Masters refuse to forward the applications for leave, passes and P. T. Os unless they have been "satisfied". Even when applications are forwarded, the clerks concerned in the office would not put them up before the officers unless some payment is made. We have received a number of complaints in regard to the delays in the fixation of pay as well as in the settlement of the dues of the employees after retirement. Complaints of this nature can be eliminated by stricter supervision by officers. We feel that the office clerical staff are dealt with too leniently in regard to the delays in putting up cases. The officers must realise that frequent and repeated complaints of this nature cast a reflection on them and the administration, and, if complaints persist, the conclusion drawn by the public is that either the officers concerned are negligent or that they themselves are involved in doubtful practices.

On Divisions and Districts, where the Personnel Officers are posted, they should be more accessible to the staff. We understand that at a certain Division, when the Divisional Superintendent received complaints of this nature, he asked his Divisional Personnel Officer to cover the Division on a motor trolley and contact the staff regarding their grievances and take necessary action. This produced a salutary effect, and we recommend emulation of this example.

In regard to the issue of passes, we recommend that the period of availability of privilege passes to Railway employees should be limited to the period of their leave, to minimise the possibility of their misuse.

Due to general laxity in exercising proper checks, cases of misuse of Railway passes and P. T. Os are quite frequent. Sometimes, the tickets are issued to the public against a Privilege Ticket Order and the two-third of the fare is pocketed by the booking clerk concerned. There was an interesting case of a bachelor ticket collector getting a pass for self and wife only. He performed the journey with a lady supposed to be his 'wife'. When the fraud was detected, the punishment awarded to the ticket collector was that his passes and P.T.Os were withheld for 6 months! There are also instances where the Railway staff claim false T. A. which is sanctioned and paid. Such practices can be checked by proper supervision.

**157. Selection Boards.**—There are two methods of promotions for the different categories of Railway staff, (i) promotion on seniority-cum-suitability and (ii) promotion by selection. In the case of the former, a Railway servant is promoted to the next higher post, whenever a vacancy occurs, strictly on the basis of his seniority unless his working is specifically found to be unsatisfactory. In the case of selection posts, employees, eligible for such posts are examined by a selection board consisting of three railway officers in the senior grade. A panel of candidates declared suitable is then formed and vacancies filled therefrom. Complaints were received that these selection boards do not function properly and that good deal of favouritism and nepotism goes on in the filling of selection posts. It is true that, in many cases, such complaints come from those who are declared unsuitable by the selection boards. Nevertheless there

is evidence to indicate that there is enough favouritism and nepotism to call for vigilance to be exercised in making the selections. We make two suggestions in this connection:

- (1) Selection for the posts above Rs. 300 should invariably be made on the results of both a written and an oral test; and
- (2) in making promotion to selection posts, greater importance should be given to honesty and integrity, and, where complaints are made against an employee over a long period, his case should be viewed adversely.

**158. The Medical Department on the Railways.**—We received numerous complaints against the Medical Department. The main complaints are :—

- (a) Charging " fees " for issuing a sick memo or a certificate of fitness.
- (b) Charging fees for eyesight tests.
- (c) Recommending the purchase of eye-glasses from firms from whom the Doctors get commission.
- (d) Giving inadequate attention to the Railway employees in need of medical attendance.
- (e) Costly medicines for Railway hospitals finding their way to the market.
- (f) Costly but necessary medicines being reserved only for high officials and members of their families.

We give here one instance of corruption in this department which came to our notice. During our stay at a Railway headquarters, one employee approached us with an application to the effect that he was sent to the Doctor for the X-Ray of his chest and the Doctor demanded Rs. 5 for giving " O. K. " report. The Superintendent of Police of the Special Police Establishment was contacted and the case entrusted to him for investigation. The following day, we learned that the complaint was correct and that the Railway Doctor was successfully trapped. It is a matter of deep regret that the members of a noble profession should stoop to such practices. To end this evil, the Railway employees should be encouraged to bring their complaints to higher officials, who must carefully investigate them and afford relief. When such cases are proved, the Medical Council should be approached for appropriate action, on grounds of unprofessional conduct. We also recommend that the Railway Doctors should be debarred from private practice and their emoluments may be suitably increased to compensate them for the loss of income from this source. In this connection, we would invite attention of the authorities to the Contributory Health Service Scheme recently introduced by the Central Government. We understand that the Doctors employed under this scheme are debarred from private practice and 50 per cent additional pay is given to them as compensation.

**159. Misuse of Railway materials.**—Evidence that has come before us shows that Railway materials are often used by the officials for private purposes. For instance if a Permanent Way Inspector or an Inspector of Works is constructing his own house, sometimes he takes a quantity of cement, bricks etc. meant for Railway works. An Electrical Engineer was reported to have utilised electrical fittings and railway labour for the construction of his own house. In one Railway headquarters, it was reported to us that the following irregularities were a regular feature in the railway workshops:—

- (1) Manufacture of articles for private use, such as cigarette lighters, forks, spoons, knives from stainless steel etc.
- (2) Repairs to motor cars owned by Railway Officials (including spray painting).
- (3) Illicit manufacture of country liquor.
- (4) Systematic thefts of articles like copper and brass rods etc.



We handed over this report to the local branch of the Special Police Establishment. We give below an extract from the reply received :—

“ Items Nos. (i), (ii) and (iv) on verification are reported to be true but it has not been possible to take action in these matters, as malpractices at item Nos. (i) and (ii) are treated to be of a minor nature and are therefore not enquired into by the Special Police Establishment. Information of this nature is passed on to General Manager concerned for disposal.

As regards the thefts from workshops, my enquiries reveal that these are done regularly and both senior and junior employees indulge in a systematic manner.”

We were rather surprised and disappointed at this report. The facts are correctly stated. But the contention that such matters are too trivial to be tackled by the Special Police is disappointing. Such irregularities are of the nature of misappropriation of public property. When committed by high officials, they also act adversely on the morale of the lower staff. We do not see why the Special Police Establishment should consider such anti-social activities as below their purview, specially when brought to their notice. It is absolutely essential that due sanctity be attached to Government property, and officials in charge of it should treat it as a sacred trust. Irregularities of this nature must be viewed seriously. Greater supervision and proper accounting and stock verification of Railway property will to some extent minimise such misappropriation or misuse of government property and labour.

About illicit manufacture of liquor in the workshops, a letter was addressed by the Chairman to the Chief Minister of the State and the report received was that the information was correct.

There are also frequent thefts of Railway property committed by the staff or by outsiders in collusion with them, the difference being that property stolen is not for private use but is sold in the market. Such thefts occur frequently from the Stores Depots of the Railway as well as from the Loco. yards, sick lines and traffic yards. Theft of electrical fittings in the carriages such as dynamo belts, bulbs, etc., are common. On the Eastern Railway alone, the value of carriage fittings stolen in one month was approximately Rs. 60,000. We were told that the loss at Madras station from this source was approximately Rs. 20,000 per month. Apart from the financial loss involved, this also immobilises the coaches for long periods accentuating overcrowding. Often the Watch and Ward staff are in collusion either with the members of the staff or outsiders. When not in collusion, they seem to take their duties of guarding Railway property rather lightly.

**160. Misuse of Railway labour.**—Evidence before us goes to show that the Railway staff, particularly in the class IV category, are often utilised by officials for their domestic work. Gangmen working in the garden of the Permanent Way Inspectors or looking after their cattle is a matter of common occurrence. Some of the gazetted officers are also guilty of this irregularity. This irregularity can be easily detected and checked. It merely requires proper supervision and investigation. Persistence of such irregularities can only mean that the higher officials concerned are either indifferent or guilty of similar irregularities.

Incidentally, we might add here that at certain places, we were informed that some of the Railway staff did private business in addition to their normal full-time job. This would naturally be at the cost of government work and should be put a stop to.

Corrupt practices in the internal working of the Railways enumerated above are like sand in a delicate machine. The impediment in the smooth working of the machine is out of all proportion to the quantity of sand introduced. No efforts should, therefore, be spared to eradicate such undesirable practices. Though the public may not be directly involved in it, the Railway suffers a great deal of avoidable loss. The tone of the administration is lowered by such conduct.



## CHAPTER X

## (I) WORKING OF THE SPECIAL POLICE ESTABLISHMENT

## A. GENESIS AND WORK.

161. At an early stage of the last war, it came to the notice of the Government that the enormously expanded expenditure for purposes connected with the war had brought about a situation in which unscrupulous persons—both official and non-official—were enriching themselves at the cost of the public and the Government. The setting up of an organization to investigate offences connected with these transactions was, therefore, considered necessary, and, under an executive order, the Special Police Establishment was created under a Deputy Inspector General. The superintendence of this force was vested in the Defence Department, later known as the War Department. In 1942, the jurisdiction of this Department to exercise the powers of investigation was challenged before a High Court. This led to promulgation of Ordinance No. XXII of 1943 conferring the requisite legal sanction and authority on the Department.

162. At the end of 1942, when the war was in full swing and there was a great demand for war material from all over the country, it was found that corruption on the Railways affected transport to a great extent. At that time unscrupulous Railway officials earned daily enormous sums of money in connection with allotment of wagons for transport of war materials etc. Though corruption was prevalent on the Railways even before the war it was neither so widespread nor were its effects felt so much in the Defence Services as during the War. The Government, therefore, considered the desirability of bringing corruption on the Railway within the purview of the Special Police Establishment. The activities of the Special Police Establishment were accordingly extended to the sphere of the Railways at the end of 1942. Though the Special Police Establishment has been set up to eradicate corruption from all the departments of the Government of India, only the Railway Department has deputed a few officers to the Establishment from its staff to act as informants so far as corruption on the Railways is concerned. Because of this fact and also because the corruption on the Railways could be more easily detected by laying traps etc. it is found that a large percentage of cases dealt with by the Special Police Establishment relates to the Railway Department.

163. The Ordinance referred to above lapsed on the 30th September, 1946, and was replaced by the Delhi Special Police Establishment Act (No. XXV) of 1946. This Act enabled the Special Police Establishment to function in the provinces, with the concurrence of the Provincial Governments to the limited extent of investigating certain specified offences in which Central Government employees were involved or the departments of the Government of India were concerned. The Establishment had no jurisdiction in the old Indian States.

164. The war officially concluded on 1-10-1946. Since then the Special Police Establishment was transferred from Lahore to Delhi.

165. The Special Police Establishment is empowered to investigate into only certain specified classes of offences when they are committed by a Central Government employee or in respect of a Central Government Department.

These offences are :—

- (a) Those punishable under sections 161, 162, 165, 165-A, 258, 259, 260, 261, 262, 263, 263-A, 379—382, 406—409, 411—414, 417—420, 465, 466, 468, 471, and 477-A of the Indian Penal Code 1860, and Section 5 of the Prevention of Corruption Act, 1947, as amended ;
- (b) Offences punishable under Section 7 of the Essential Supplies (Temporary Powers) Act, 1946 ; (since modified) ;
- (c) Offences under the Foreign Exchange Regulation Act, 1947 ;
- (d) Offences under the Imports and Exports (Control) Act, 1947 ;
- (e) Offences punishable under Section 52 of the Indian Post Office Act, 1898 ; and
- (f) Attempts at abetments and conspiracies in relation to, or connected with, the offences mentioned under (a) to (e), and any other offences committed in the course of the same transaction arising out of the same facts.

166. The Establishment is temporary and its staff is appointed on a year to year basis. The majority of the personnel are borrowed from different State Governments and, for administrative reasons, they are ordinarily posted in their parent states. This is necessary as much for linguistic reasons as for making the best use of their professional background and contacts with the State Government Police force, with which they have to maintain close liaison. Owing however, to the inability of the State Governments to spare services of the required number of personnel, a certain number of officers and men has been recruited from among retired Police Officers and displaced officers from Pakistan.

167. In 1949, a Central Investigating Agency was created, working directly under the Inspector General. This staff deals with cases, which, for one reason or the other, it is not considered desirable to entrust to the local branches.

168. The method of the work of the Special Police Establishment is stated below. This method is adopted both in the investigation of general as well as Railway cases. In Railway cases, however, besides the normal sources of collecting information, there is an additional channel of getting information. The Railway Section Officers and the Railway Section Inspectors collect information about corruption on the Railways and pass it on to the Superintendent of Police or Deputy Superintendent of Police of the Special Police Establishment branch under whom they are placed.

169. Investigation is started on information received from any source. It may be from the Head of a Department from a subordinate of a delinquent officer, or from a member of the public. If the information appears on the face of it to be *bona fide*, the case is immediately registered and investigation commences. In cases where the information supplied appears to be of a dubious character, it is first verified by means of a preliminary enquiry and, according to the result of such enquiry, either a case is formally registered or the complaint is filed. During investigation, daily case diaries relating to each individual case are received by the Inspector General, through the Deputy Superintendent of Police, Headquarters, who goes through them and gives directions for the guidance of the investigating officer. After the investigation or the enquiry has been completed, a final report is prepared and the results are scrutinised by the Branch Prosecutor, who is required to record his opinion. The papers are then forwarded through the Superintendent or Deputy Superintendent of Police of the Branch to the Inspector General. The final scrutiny is made by the Legal Adviser, Headquarters and then the whole file is submitted to the Inspector General, who passes the necessary orders.

170. After the processes indicated above have been completed, if the case requires the sanction of Government for prosecution, it is forwarded to the Ministry of Home Affairs through the Ministry under whom the accused officer is serving. The two Ministries examine the material collected by the Police, and sanction to prosecute is issued only after both of them are satisfied regarding the strength of the case. Not infrequently, the opinion of the Government Solicitor is also taken by the Ministry of Home Affairs at this stage. Where the sanction of an officer subordinate to the Government of India is required, the procedure is that the Supervising Officer obtains it from the appropriate authority on receipt of the decision of the Inspector General.

171. The Special Police Establishment has its own prosecuting staff to conduct cases before the courts. It is only in exceptional cases that special counsels are engaged.

172. Expenditure on Special Police Establishment borne from the Railway Revenues was :—

1952—53	.. .. .	Rs. 4,25,000
1953—54	.. .. .	Rs. 4,57,000
1954—55	.. .. .	Rs. 5,65,000 (estimate).

(The quantum of apportionment borne from the Railway Revenues is 20 % of the total expenditure on the Special Police Establishment plus the expenditure on account of 9 Railway Section Officers and their Orderlies).

173. **Strength of staff.**—The present strength of the Special Police Establishment staff and that of the Railway Section Officers and Inspectors, with their headquarters, are shown in the appendices IX and X.

174. The mode of recruitment and functions of the Railway Section Officers and Inspectors are as follows :—

(i) **Railway Section Officers.**—Working Railway employees are taken as Railway Section Officers in the Special Police Establishment. At the time of appointment, they are selected by the Inspector General, Special Police Establishment, for a period of 3 years, on the recommendation of the General Manager concerned. In the case of officers of outstanding merit, this period is extended.

(ii) **Railway Section Inspectors.**—They are appointed by the Inspector General, Special Police Establishment, generally from amongst persons who are either serving in the Railway Administration or have retired.

The duties of the officers of both the categories are mainly to collect information about corruption in the Railway Administration and to pass on the same to the Superintendent or Deputy Superintendent of Police of the Special Police Establishment branch. Suitable Railway Section Inspectors are eligible to be invested with powers of investigation of Railway cases.

175. The nature of the work of the Railway Section Officers as has been laid down in the Railway Board's directive is,

- (i) To tour frequently in their respective areas to obtain information about corrupt Railway staff and the method by which they obtain bribes from members of the public, to make arrangements to help the Special Police Establishment in catching such bribe takers as well as bribe givers ;
- (ii) To assist the investigating officer of the Special Police Establishment in scrutinising and obtaining Railway records for the purpose of enquiries and investigation in cases in which a knowledge of the working of the rules and regulations of the Railway Administration is necessary.

#### B. COMPARATIVE DATA OF THE WORK DONE.

176. Appendices XI, XII and XIII give figures of corruption cases dealt with by the Special Police Establishment during the years 1951, 1952 and 1953. The figures of all the cases and the Railway cases are given separately and the percentage of the Railway cases to the total cases is also given.

A summary of these statements, giving the number of cases registered, sent for trial, convicted and the Gazetted Officers involved during each year, is given below :—

							Railway cases.	Total (All Ministries of the Govt. of India).	Percentage of Railway cases to total.
<b>1951</b>									
Registered during 1951	..	..	..	..	..	..	130	231	56.2
Sent for trial	..	..	..	..	..	..	99	222	44.6
Convicted	..	..	..	..	..	..	61	104	58.7
Gazetted or commissioned officers involved	..	..	..	..	..	..	15	101	14.9
<b>1952</b>									
Registered during 1952	..	..	..	..	..	..	140	267	52.4
Sent for trial	..	..	..	..	..	..	80	187	42.2
Convicted	..	..	..	..	..	..	34	72	47.2
Gazetted officers involved	..	..	..	..	..	..	14	69	20.3
<b>1953</b>									
Reported during 1953	..	..	..	..	..	..	137	376	36.4
Sent for trial	..	..	..	..	..	..	76	173	43.9
Convicted	..	..	..	..	..	..	34	82	41.5
Gazetted officers involved	..	..	..	..	..	..	13	73	17.8

From the above, it will be seen that the percentage of the Railway cases to the total cases registered by the Special Police Establishment is quite high, the figure for 1951 being 56.2 per cent.

177. We scrutinised the brief particulars of the proved cases of corruption amongst the Railway staff which were finalised during the years 1951 and 1952 in the Special Police Establishment. They indicate that the maximum number of cases detected were in connection with goods booking.

178. We feel that the number of cases registered, investigated, and sent for trial by the Special Police Establishment is very much on the low side, taking into consideration the extent of corruption prevalent, and the financial contribution made by the Railways. We are also of the opinion that there is considerable scope for improvement both in regard to the time taken to finalise a case and the percentage of cases in which conviction is secured, especially when it is borne in mind that a great amount of care is taken before a case is sent for trial. Here we would like to cite an actual instance which came to our notice. While we were at Bombay, one Railway employee handed over a written complaint to us that the Railway doctor had demanded illegal gratification from him after the X-Ray examination of his chest, before giving him the necessary certificate. We made over this case to the Special Police Establishment for necessary action. The following day i.e. on 28th July, 1954 we were informed that a trap was laid, and that the Railway doctor was found accepting Rs. 5/- from the complainant as illegal gratification for issuing the certificate. Subsequently, we made enquiries about this case, and we were informed by the Special Police Establishment on 30th May, 1955 (10 months after the date of occurrence) that "the case against the above cited official is pending investigation for want of Handwriting Expert's (Poona) opinion. The Medical Certificate in this case has been sent to the Handwriting Expert, Poona for deciphering the erased portion from it." If such is the progress made in a simple case like this (which was made over by us) only during the investigation part of it, we can very well imagine the fate of the normal cases which sometimes are more complicated.

Another distressing instance came to our notice indicative of the lax working of this department (Special Police Establishment). A complaint was received by the Special Police Establishment that a high Railway Official of Senior Administrative Rank had received a bribe in awarding tender contract. The Special Police Establishment conducted its confidential inquiries and took full four years to complete its investigation. At the end of this period, all that the Special Police Establishment did was to forward a report to the General Manager, requesting him to take departmental action against the official concerned. The report did not contain any evidence documentary or otherwise, but was practically a repetition of the allegations received in the initial report. What is more, the report sent to the General Manager was not even marked "Confidential". The perusal of the report indicated that the entire case was dealt with in the most perfunctory manner.

179. One Superintendent of Police (Special Police Establishment), suggested that if two auditors are attached to Superintendent of Police (Special Police Establishment), it would be possible to detect a number of defalcation cases. We recommend that this experiment should be tried with one Superintendent of Police (Special Police Establishment) for one year, and then extended if good results are achieved.

#### C. DIFFICULTIES EXPERIENCED BY THE SPECIAL POLICE ESTABLISHMENT.

180. The Special Police Establishment has met with certain difficulties in prompt and efficient handling of the corruption cases in Railways, few as they are. It is essential that such difficulties are removed for the more efficient functioning of this branch of police. The main difficulties experienced are given below with appropriate remedial measures :—

- (i) It was represented that due to the existence of the Anti-Corruption Organizations on the Railways, many offences committed by the Railway officials which can lead to criminal action against them are enquired into by Railway Anti-Corruption branch and dealt with departmentally. This indicates lack of co-ordination. We therefore, recommend that there should be periodical meetings of the officers of both the departments (*viz.*, the Anti-Corruption Organizations of the Railways and the Special Police Establishment) having jurisdiction in the same area.
- (ii) Under the existing practice, prior permission of the General Manager has to be obtained by the Special Police Establishment before any enquiry can be instituted against a gazetted officer. The Special Police Establishment stated, and we have no reason to doubt the statement, that this procedure has often prevented them from making enquiries into allegations against gazetted officers. Whenever any allegation against a gazetted officer is brought to the notice of the General Manager concerned, he as a rule orders a departmental enquiry. The enquiries sometimes take a long time and the enquiring officers more often than not come with a verdict that the allegations are baseless and that the Special Police Establishment need not enquire into them. This particular provision in regard to consultation with the General Manager was introduced because of a couple of cases where the investigating officers of the Special Police Establishment took hasty action to register cases against gazetted officers which later turned out to be specious or not worth pursuing. This provision has, however, been differently interpreted. Whereas some General Managers have interpreted this new provision to mean that they would be consulted or taken into confidence before starting investigations, some others think that their prior consent is necessary. Often such consent has been withheld. We would suggest that, whenever the General Manager is consulted, he should, as a rule agree to preliminary investigation being started. If a General Manager decides, in a particular case, to hold a departmental enquiry before agreeing to the investigation by the Special Police Establishment, a representative of the Special Police Establishment should be allowed to be present during such a departmental enquiry. Where there is a difference of opinion about the Special Police Establishment even undertaking the preliminary investigation, the Inspector General, Special Police Establishment may refer the matter to the Railway Ministry. However, we are clearly of the view that it is not the status of the employee but the gravity of the offence which should be the deciding factor. This view would be in conformity with the spirit of our Constitution (Article 14).
- (iii) It is also noticed that, in some cases, considerable delay occurs before departmental sanction is given to the Special Police Establishment by the Railway authorities for prosecution. It must be laid down that the delay in giving such sanction must not normally exceed two months.
- (iv) Another difficulty experienced by the Special Police Establishment is that, whenever a case investigated by it is referred to the Railway authorities for departmental action, a departmental enquiry is instituted, but the officer of the Special Police Establishment who originally



investigated and built up the case is not invited to be present. The result often is failure of justice. We recommend that, in such cases, the investigating officer of the Special Police Establishment should be invited to give evidence as a witness.

- (v) The Special Police Establishment has also found that informers and railway servants who volunteer to expose corrupt practices or help the Special Police Establishment in investigation are often harassed not only by their fellow officials but sometimes by their superiors. In order to avoid the possibility of harassment and victimisation, the names of the informers should be kept confidential. Any complaints of victimisation and harassment should be promptly looked into by an officer of not less than Administrative Rank.
- (vi) The Inspector General of Special Police Establishment has further complained that Railway authorities sometimes take inordinately long time to comply with the Establishment's request for the transfer of the accused Railway servants and, in some cases, they have refused to transfer them on some pretext or the other. This is in spite of the clear instructions of the Railway Board in this behalf. These instructions should be meticulously followed. In cases where the requests of the Special Police Establishment for transferring a particular employee cannot be complied with, a report should be submitted to the Railway Board giving the circumstances under which the request could not be complied with. This will act as a check on indiscriminate refusal of such requests.

## (II) WORKING OF THE ANTI-CORRUPTION ORGANISATIONS ON THE RAILWAYS.

181. The war, with its controls, provided one of the most fruitful opportunities for corruption. It was therefore decided by the Railway Board in 1948 to organise an independent Anti-Corruption department attached to every Railway for the prevention, detection and departmental investigation of corruption. To avoid conflict with the working of the Special Police Establishment, it was laid down that the cases that were to be handled by the Railway Organisations were to be of the following nature :—

- (i) Cases of departmental or procedural irregularities resulting in preferential treatment to traders, travellers, contractors or any other individuals or firms. (If, however, there was a probability that some illegal gratification had been received, the cases were to be handed over to the Special Police Establishment without delay.)
- (ii) Cases of corruption of a trifling nature which the Special Police Establishment were not in a position to take up.
- (iii) Corruption cases handed over by the Special Police Establishment for departmental action for lack of evidence of a nature likely to lead to successful prosecution.

These departments were left to be organised by the General Managers to suit local conditions.

182. We are sorry to record that the working of this department has not fulfilled the objects for which it was created. This is plain from the fact that, in spite

of admittedly widespread corruption, the cases handled by the organisation everywhere are negligible. Moreover, we have found that their activities have been almost exclusively confined to staff at the lower rungs of the ladder, and also to trifling cases. This has tended to diminish confidence in the value and efficiency of the organisation. Further, the percentage of cases in which responsibility could be fixed to cases finalised is very low on all the Railways. Some of the reasons offered by the Administrations for this are :—

- (i) Complaints made cannot be substantiated.
- (ii) Number of cases included general complaints against whole categories of staff at a station or in an area.
- (iii) The complaints were found baseless on enquiry.
- (iv) Number of cases were filed without enquiry as they were anonymous and the allegations made were vague.
- (v) In a large number of cases, evidence sufficient to establish the crime was not forthcoming though the information supplied might be based on facts. This was due either to employees not coming forward to expose their colleagues for fear of unpopularity or victimisation or to the members of the public not coming forward due to fear of harassment from the Railway staff, with whom they had to transact business every day, or to all these causes.

183. These reasons would be valid if there was no inefficiency, indifference and, worse still, widespread corruption in the administration. Even so, where the investigation is undertaken, it is not carried out with sufficient promptitude and vigour. The fifth reason, namely the reluctance on the part of the Railway employees and the public to come forward to expose corrupt practices, is correct and must present difficulty. But this can be remedied only when the Administration puts its own house in order. There have been many cases where Railway employees have been harassed by their co-workers and sometimes by their immediately superiors for exposing corrupt practices. Even in the case of this Committee, we observed a general reluctance on the part of the subordinate staff to oblige us with their evidence and it was said that this was due to their fear of the displeasure of their superiors. We feel that it is not enough for high officials merely to point out the difficulty about the employees and the members of the public not coming forward to give evidence for fear of victimisation and harassment. Suitable conditions must be created to re-assure persons willing to co-operate that they will not be harassed or victimised. We would suggest in this connection the following procedure to secure co-operation. A notice may be inserted in Railway Gazettes and the public time tables pointing out the existence of an independent Anti-corruption Organisation, and that complaints of bribery and corruption may be made to the Officer in charge of this organisation direct. (His designation and address should be given). Suitable posters on these lines should be exhibited prominently at important stations. Complaints if so desired should be treated as confidential and should be enquired into by the Anti-Corruption Organisation itself and not through department channels. The complainant should be asked if he is prepared for confronted enquiry. If a major complaint is substantiated, suitable reward may be given to the complainant.

184. We find that the percentage of cases of corruption in which punishments were inflicted to the number of cases in which responsibility could be fixed was specially

low on some Railways. This is definitely unsatisfactory. It indicates that cases are not being vigorously pursued even after the investigation is complete and responsibility fixed. In cases where responsibility has been fixed, the punishment must be swift and deterrent. Appropriate fines should invariably form part of the punishment.

185. Scrutiny of the individual cases dealt with by the Anti-Corruption Organisations reveals that often there is considerable delay in the finalisation of cases even when they are of a trifling nature. Also the punishments awarded are neither adequate nor are they uniform on different Railways. For instance, for the under-weighment of consignments resulting in less freight being realised, one Railway inflicted the punishment of stoppage of increments, while another Railway inflicted the punishment of censure only, whereas a third Railway imposed a fine. It was also found that in several cases, the punishments inflicted were inadequate. For instance, at one station, an Anti-Corruption Inspector personally noticed that the releasing time of two wagons was falsely recorded by the Goods Clerk to give pecuniary advantage to the owner by way of demurrage charges. It took approximately six months to inflict the punishment on the culprit, and the punishment awarded was "warning". It is worth noting here that, for inflicting the punishment of a warning or censure, even the issue of a charge sheet is not necessary. In other case, the livestock wagons booked were checked and found to contain some full-grown animals as against calves shown in the relevant invoices. The undercharges amounting to Rs. 208 were recovered. It took approximately 2½ months for the award of the punishment, and the punishment inflicted was "warning". In another case, the shed clerk in a big goods shed was found to have passed unauthorisedly "damaged remarks" in the inward delivery book in respect of four consignments and manipulated some records, leading to the payment of a claim of over a thousand rupees. The punishment inflicted was "stoppage of increment of the clerk concerned for one year with non-cumulative effect". The reason that was offered by the Administration for inflicting lower punishment than removal from service was that "the competent authority considered the penalty imposed as adequate".

In one case, as a result of a departmental enquiry, a gazetted officer was found to have committed a number of serious irregularities. The punishment recommended by the General Manager was removal from service. Subsequently the officer himself applied for permission to retire. This request was granted and the following penalties were imposed :—

- (i) Censure ;
- (ii) Post-retirement passes withheld for two years.

186. Several witnesses also deposed before us that even in the cases of complaints involving allegations of corruption, the attitude of the Administration was lukewarm. There was a tendency on the part of the higher officials to make light of such allegations instead of making a searching enquiry into the matter. Even when enquiries were made and allegations proved, action taken was inadequate.

187. We give below a few more instances of this nature which would indicate that there is some justification for such a feeling to prevail in the mind of the public :—

(i) A Permanent Way Inspector on one of the Railways was charged with the offence of having obtained about 20 ration cards at the Railway concessional rates in the name of some substitutes and temporary coolies though they were not eligible for them and of having used these cards for himself for about a period of four years. The fraud went undetected for this long period. When at last, the enquiry committee

was appointed to examine the charges it found the P. W. I. responsible for the following irregularities :—

- (a) Wrong certification of service particulars of temporary and substitute men.
- (b) Negligence of duty in having failed to secure the Grainshop cards under lock and key.
- (c) Failure to look for previous purchases before issuing the cards to the substitutes for fortnightly purchases of rations or for renewal of the cards.
- (d) Incorrect understanding of the orders in regard to the substitute coolies stopped from work and failure to submit prescribed returns ; and
- (e) Failure of duty to mention the pending ration cards in the handing over notes.

The punishment inflicted in this case was that 25 per cent of the loss suffered by the Administration was debited against the P. W. I. concerned. What is more, this Permanent Way Inspector was later on promoted to the rank of Class II Gazetted Officer.

(ii) A complaint was received by one of the Administrations in November, 1950, that an Assistant Engineer had passed a large quantity of granite ballast which was over-sized, in return for some illegal gratification. No enquiry was made into the charge of illegal gratification, but the Chief Engineer ordered an enquiry to take a few random samples and to determine the percentage of oversize ballast passed. "The idea", he said, "was to find whether in passing the ballast, the Assistant Engineer had exercised the care and precaution that is expected of the Passing Officer. It is not the idea to import any assumed prejudices into the matter".

The Inspecting Officers found a good percentage of jelly which could not pass through  $1\frac{1}{2}$ " ring, but apparently presumed that these could pass through a  $2\frac{1}{4}$ " ring. Besides they found a certain percentage of undersize jelly less than  $3\frac{1}{4}$ " in size and jelly-dust which they considered to be slightly above normal in certain stacks. On this report, the Chief Engineer talked to the Assistant Engineer concerned and merely told him to be more careful in future.

(iii) Sometime in 1951, information was received by the Anti-Corruption Department on one of the Railways that candidates had who were not sons of Railway employees had secured appointments in the Mechanical Department of one of the Districts of a Railway during the Years 1942-45 by giving false declarations "as sons of Railway employees". The Anti-Corruption Inspector examined about 200 witnesses and came to the conclusion that there was a regular conspiracy amongst certain staff of the Mechanical Department during the period 1942-45 with the common object of collecting and sharing illicit money and successfully getting appointments in the Railway for outsiders mentioned therein as sons of Railway employees on false declarations. They had also caused the issue of bogus certificates in support of their action, making railway authorities to believe that they were genuine records. The amount of illicit money thus handled by them appeared to be roughly something like Rs. 15,000 to Rs. 20,000. On the basis of this report, an enquiry by two senior scale Officers was ordered. The Enquiry Committee recorded statements of 105 witnesses. Majority of the witnesses whom they interviewed said that they got their appointment through the help of a particular individual who had taken illegal

gratification which varied from Rs. 100 to Rs. 300 in each case. In a few cases, there was corroborative evidence also; yet the finding of the Enquiry Committee was rather vague, with the result that no action was taken against the culprits. Also no action was taken against those who had secured appointments in such a fraudulent manner. It would be impossible for such employees to be honest in their dealings with the Railway and the public. The two pre-disposing factors for the perpetration of the mal-practices, according to the Enquiry Committee, were :—

- (1) delegation of powers made by the District Mechanical Engineer to the Depot officials for the recruitment of class IV staff; and
- (2) complete laxity in respect of observing formalities for recruitment both at the District Mechanical Engineer's office and at the Depot offices.

The Chief Mechanical Engineer, who reviewed the proceedings of the Enquiry Committee, was himself not sure whether the District Mechanical Engineer was authorised to delegate such powers to the subordinate staff. Also no comment was made either by the Enquiry Committee or by the Chief Mechanical Engineer in regard to the slack supervision on the part of the District Mechanical Engineer concerned. The net result was that, in spite of the clearly established facts that about 200 class IV staff secured appointment by producing forged and bogus documents on payment of illegal gratification, no action was taken by the Administration against any culprits.

(iv) A Permanent Way Inspector on one of the Railways was reported to be utilising his two trollymen as private servants in a hotel alleged to be run by him while showing the men on Railway muster sheet as present on duty. On a surprise raid by an Anti-Corruption Inspector, along with the Assistant Engineer, one of the trollymen was found present at the hotel during duty hours. The punishment awarded in this case was that the increment of the P. W. I. concerned was stopped for a year with cumulative effect. The reason offered for not having awarded more drastic punishment was "it was not possible to establish any case against the P. W. I. except of slackness in not taking steps to prevent unattested alterations in muster sheets". It is difficult to understand how the P. W. I. allowed his trollyman to work in a hotel if the former had no interest in the establishment.

(v) On receipt of information that one Inspector of Works was in the habit of misappropriating Railway material by making forged and wrong entries in books, a surprise check was made by an Anti-Corruption Inspector. Necessary records were seized and stores checked in the presence of an Accounts Stock Verifier. A heavy shortage of lime, cement, petrol, etc. was detected. Forgery in records was also detected. The Inspector of Works was reduced to the next lower grade for a period of two years. The reason offered for not taking more drastic action was "no *mala fide* intentions could be established"! Evidently the Railway authorities do not consider action as indicative of intentions.

Such instances can be multiplied. Unless drastic action is taken in the case of irregularities where the charge of bribery and corruption has been proved or can be easily inferred, it would be difficult to eradicate corruption.

188. The various Administrations, in their replies to the questionnaire or during the course of their evidence, have frankly admitted that corruption is wide spread amongst the Railway staff. The huge mass of evidence that we have collected from the various Chambers of Commerce, Merchants' Associations, Passengers' Associations, social and political workers and individuals also leads us to the same conclusion. Against this background, the figures of the cases of corrupt practices investigated by the

Anti-Corruption Organisations of the various Railways indicate that the activities of these Organizations are neither extensive nor intensive. They are therefore, such as would not be effective in eradicating corruption. These Organizations should be strengthened on the followed lines, so that they can really become effective :—

- (i) The existing Anti-Corruption Organizations should be separated from the Security Organizations of the Railways and should be placed under the executive charge of an officer of Senior Administrative Rank on each Railway. This officer should be obtained on loan from a government department other than the Railways. He should be assisted by an Anti-Corruption Officer in the Senior Scale. This officer of the Senior Administrative Rank may be designated as the Chief Investigating Officer. He should maintain close co-ordination with the Chief Security Officer and the General Manager. He should be responsible for the work of this organization to the Railway Board direct. All the staff of the Anti-Corruption Organizations particularly the Anti-Corruption Officers and the Inspectors should be hand-picked men with integrity, initiative and drive. An Anti-Corruption Officer should be appointed on the Central Railway also where this post was abolished.
- (ii) Only one railway, viz., the Eastern Railway, has got detectives attached to the Anti-Corruption Organization. We are of the opinion that the Anti-Corruption Organization should not depend merely on complaints received for investigating cases. It should, on its own initiative, probe into the working of the various departments and unearth cases involving bribery and corruption and frauds. In order that this may be done, it is necessary to have a detective force under this Organization. The strength of the detective force (as also other staff of the Anti-Corruption Organisation) will depend upon the amount of work involved on different Railways. The strength of Inspectors should be augmented wherever necessary, the rough index being that there should be at least one Inspector for one Division or two Districts.
- (iii) Suitable definite targets should be laid down for judging the efficiency of the Anti-Corruption Organization. Similarly, suitable time limits should be fixed for finalising the cases.
- (iv) Any cases which appear *prima facie* fit for prosecution should be promptly handed over to the Special Police Establishment for necessary action.
- (v) A close liaison should be maintained by the Chief Investigating Officer with the Superintendent of Police of the Special Police Establishment Branch. Periodical meetings should be convened by the former, when all cases taken up by the Anti-Corruption Organization should be discussed with the Superintendent of Police, Special Police Establishment. Those cases which the Superintendent of Police, Special Police Establishment desires to take over should normally be handed over to him for further action.
- (vi) Quarterly reports should be submitted by the Chief Investigating Officer to the Railway Board, with a copy to the General Manager concerned giving a review of the work done by the Anti-Corruption Organization, including a brief history of the cases investigated and the action taken. This quarterly report should be submitted within a specified period from the close of the quarter.

- (vii) The Railway Board should convene periodical meetings of the Chief Investigating Officers to discuss the working of the Anti-Corruption Organization on the Railways. The exchange of information regarding the cases unearthed and the *modus operandi* adopted by the corrupt staff etc. should prove useful to all concerned. A representative of Inspector General, Special Police Establishment, may also be invited to attend these meetings.
- (viii) It will be the direct responsibility of the Chief Investigating Officer to ensure that the staff posted in the Anti-Corruption Organization are given suitable technical training in handling the work assigned to them.
- (ix) Wide publicity should be given to the existence of the Anti-Corruption Organizations on the Railways by suitable notices to be inserted in the public time-tables and Railway Gazettes and by posters. Names and designations of the Railway staff punished in the Anti-Corruption cases should also be given wide publicity, indicating the nature of offence committed.



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## CHAPTER XI

## ADMINISTRATIVE MEASURES

189. While discussing the modes of corruption on the Railways, we have suggested certain measures to minimise the evil. However, so far as existing rules are concerned, we have very few suggestions to make. We feel that generally the defect is not so much with rules but with the attitude both of the Administration and the public towards this question. With that attitude, the best of rules can be circumvented by human ingenuity. We will, therefore, confine ourselves to recommending certain broad measures which, if followed in the proper spirit, will create an atmosphere congenial for honest and efficient discharge of duty by the Railway employees. For convenience we have grouped the broad measures we suggest and recommend as "Preventive" and "Punitive." These may be further sub-divided :—

**Preventive :**

- (a) Supervision.
- (b) Review of departmental instructions.
- (c) Avoiding delays in correspondence.
- (d) Periodical transfers.
- (e) Enforcement of rules 8 to 13 of the Railway Servants' Conduct Rules (Appendix XI of State Railway Establishment Code, Volume I).
- (f) Appreciation of meritorious work.
- (g) Personnel welfare.
- (h) Increased facilities for the users of the Railways.
- (i) Publicity.
- (j) Psychological approach.

**Punitive :**

- (a) Improving the tone of Government Railway Police, Watch and Ward and Anti-Corruption Organisations.
- (b) Simplification of enquiry procedure.
- (c) Summary powers.
- (d) Confiscation of property.
- (e) Delegation of powers for disciplinary action.
- (f) Publicity for punishments.

**A. PREVENTIVE MEASURES.****SUPERVISION.**

190. It is obvious that, if the supervision exercised at various levels in an administrative department is adequate both in regard to quantity and quality, it will function efficiently and the scope for corruption will be substantially reduced. We are sorry to note that the supervision on the Railways is not effective enough to ensure strict observance of rules, regulations and departmental instructions. This affords opportunities for corruption which goes undetected.



**191. Supervision by Inspectors.**—In various departments of the Railways, there are inspectorial staff who are assigned particular jurisdiction and who are primarily responsible for ensuring that the work of the area under them is efficiently done in accordance with the rules and instructions laid down from time to time. We feel, and this view is also confirmed by the Accidents Enquiry Review Committee, that, under present conditions, the jurisdiction assigned to different categories of Inspectors is in many cases excessive. This jurisdiction should therefore be suitably revised. It should also be made compulsory for the Inspectors to maintain a daily diary about their movements and the work done. A copy of this should be submitted along with the T. A. Bill for the month in question.

**192. Supervision by the Executive Officers assisted by Assistant Officers.**—During recent years due to the implementation of the Adjudicator's Award, the liberalisation of the leave rules and general increase in work, there has been substantial increase in the number of Railway employees, but there has not been a corresponding increase in the number of gazetted officers, with the result that the supervision by the gazetted officers has become more attenuated. We have received almost universal complaints from the gazetted officers about the considerable increase in paper work, due to which they are unable to exercise the necessary outdoor supervision. They feel that they should be relieved as much as possible of their routine desk work to enable them to do some thinking and planning and increase outdoor supervision and closer personal contact with the staff working under them. It is worth noting here that during 1938-39 the ratio of gazetted to non-gazetted staff was 1 : 359 on the Railways against 1 : 376 during 1953-54. There has also been considerable increase in the volume of traffic carried. This brings out clearly that the supervision by the gazetted staff has become attenuated. We, therefore, recommend that the Efficiency Bureau attached to the Railway Board's office may enquire and analyse the quantum of work performed by gazetted officers in different departments and suggest measures for the reduction of desk work and increase in the supervisory work. It may also suggest if any increase in the strength of class I and II staff is necessary.

Due to the speed with which the regrouping of the Railways was effected, the question of co-ordination and proper supervision was ignored and the departmental system were left untouched. As, however, in such large zones, the proper co-ordination amongst various districts was necessary, one more tier between the head office level and the district level was introduced, namely the Regional level. We are not at all impressed with this new Regional system and we agree with the general view that it is like a "fifth wheel in a coach."

Here, we would like to invite attention to the following observations of the Indian Railway Enquiry Committee, 1947 :

"This question of what is the most suitable system of organisation for Indian Railway will, however, become one of first importance in a few years' time when the problem regrouping is seriously examined. It will then have to be decided whether this regrouping should be on the basis of a small number of large Divisionalised Railways or of a larger number of departmentalised Railways of limited size."

**193. Administrative Reorganisation.**—Due to the nationalisation of Railways, the partition of the country and the merger of States, some kind of regrouping of the Indian Railways was inevitable. However, due consideration was not paid to the size of the units and the workload involved. During the course of our tours, many responsible officers in their evidence admitted that the workload of the regrouped Railways had greatly increased with the result that supervision from head office had become difficult.

The geographical size of the new zones created after regrouping is too big for effective and efficient supervision. Like most large organisations, the rearranged zones suffer from the defects of over-centralisation, indecision red-tape and inertia. While large scale business standardisation and uniformity of practice have their advantages it is possible to pay dearly for them. One great disadvantage of big units is the distance that centralisation puts between the man who is empowered to take decisions and the man who is familiar with the facts of a particular situation. This leads to delay in taking decisions on important and sometimes even urgent questions. Many Railway-men complained about the amount of 'desk work' which they have to do and pleaded their inability to do the work of supervision effectively.

In the Railway zones, at headquarters level, it is one of the functions of the General Manager and his staff to co-ordinate the activities of the various departments, so that transport may function smoothly and efficiently. This task has been made difficult by the very size of the headquarters staff, the number of departments and the volume of business handled. The result is that only a fraction of all inter-departmental business can be subject to the direction and supervision of the General Manager.

While on the subject of size, we must point out that regrouping of Railways in our country was effected on the basis of an approximate equality of mileage as between the regions. The route mileage of each of the size regrouped system is given below :

<i>Railway.</i>	<i>Route mileage.</i>
Northern .. .. .	6,040
Eastern .. .. .	5,675
North Eastern .. .. .	4,801
Southern .. .. .	6,024
Central .. .. .	5,428
Western .. .. .	5,552

Other factors, such as the nature and pattern of transport, received scant attention from the authorities responsible for regrouping. This is evident from the figures of the relative workloads of the different regrouped systems as recently assessed by the Efficiency Bureau of the Railway Board. Taking 100 as the maximum workload that can be efficiently managed by the individual system, they arrived at the conclusion that all Railways have heavier workloads than the maximum. The figures are given below :

North Eastern Railway .. .. .	118
Western Railway .. .. .	105
Northern Railway .. .. .	128
Southern Railway .. .. .	138
Central Railway .. .. .	128
Eastern Railway .. .. .	232

These figures are revealing and appear to indicate that sufficient account was not taken of the managerial and technical aspects. Sometimes decisions were influenced by political and parochial considerations. The result has been too much desk work, lack of personal contact, reduction in top level supervision and decline in efficiency. It has also meant over-centralisation, due to which the man on the spot is unable to take quick decisions, to redress wrongs and to award prompt and adequate punishments, with the result that he ceases to command the respect of those under him. Today, it is feared that the local district officer has been reduced to the status of a mere transmitting agency. The diminution in the authority of the man on the spot and the remoteness of the deciding authority create greater opportunities for corruption going undetected and unpunished. Hence the argument of experienced Railwaymen that we should have sizeable units of management, taking account of the factors that affect the pattern and quality of transport, is unanswerable. A sizeable unit will make possible the delegation of responsibility at different levels since delegation is brought about as a result of confidence reposed in a subordinate officer adequately supervised by superiors and having personal touch with them. Today, there appears to be an undue tendency for matters which should be decided at local level to be referred to regional and even higher levels. This results in unnecessary waste of time. Also the local authority feels ineffective and consequently loses respect in the eyes of his subordinates. With the increased importance of the Trade Union activities, a greater degree of joint consultation with the representatives of the employees will be necessary; and this can be properly achieved only if the administrative units are not too unwieldy. In this connection, the Indian Railways Delegation that recently visited Russia reports that the total route mileage in Russia is about 75,000 miles, which is worked by 41 administrative units and that the route mileage per unit varies approximately between 1,200 to 2,000 miles.

We have also noticed that the present regrouping has not been properly co-ordinated in as much as the previous systems of working on the different regrouped portions have been practically left untouched. For example, on the Eastern Railway, though there is one General Manager and one head of each department, there are virtually two separate head offices, one looking after the ex-B. N. Railway portion from the Garden Reach and the second looking after the ex. E. I. Railway portion from Fairlie Place. In the North Eastern Railway, parts of the Claims and Accounts Offices are at Calcutta which is not even a point on the system. It would, therefore, be easier to reconsider the question of some suitable rearrangement at this stage rather than postpone it.

We, therefore, recommend that the question of the existing size of the zones be reviewed by a small high power technical committee. In considering the question of readjusting the units, the question of Division and District system should also be examined thoroughly. In case it is decided to retain the District system, provision should be made to effect proper co-ordination at the District level. We are fully conscious of the fact that this may cause certain difficulties, but it is better that these be faced now rather than at a later stage after considerable amounts have been spent to consolidate the present regrouping.\*

Before leaving this question of supervision, we would like to stress here that it is necessary for the Government to satisfy themselves that Officers appointed to higher positions, where they have to exercise initiative and take decisions, are completely free from any doubt about their integrity. Unless this is done, there can be no moral effect on the staff below. Utmost care should, therefore, be exercised at the time of making selections for key posts, and the question of reputation for honesty or otherwise

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\* Since this was written, we are glad to learn that one more Zone will be created from the 1st of August, 1955 by splitting up the Eastern Railway. We yet feel that the whole question should be examined, as suggested by us.

of the officers concerned should be given due consideration. The officers at the top should be made to realise that their duty does not end by merely being above board themselves. It is also part of their duty to see that staff working under them do their duty efficiently and honestly.

#### REVIEW OF DEPARTMENTAL INSTRUCTIONS.

194. We recommend that the departmental instructions in force on the various Railways should be reviewed periodically by the Efficiency Bureau attached to the Railway Board, with the object of making a comparative analysis, introducing the maximum amount of standardisation compatible with the local conditions. The Bureau may also circulate information about any new and useful experiment on one Railway, to other Railways. The Indian Railway Establishment Code governing the conditions of service of the Railway employees, including the Railway Servants' Conduct Rules, and the State Railway Code for Traffic Department are in urgent need of revision. We understand that the work of revision of these two Codes has already been taken in hand. It should be expedited. Railway Servants' Conduct Rules should be made more widely known to the Railway employees and should form an item of the curriculum in the Railway Training Schools. Also, the rules of conduct of Railway employees in relation to the public should be made known to the public. They may be given in a summarised form in Railway time-tables.

#### AVOIDING DELAYS IN CORRESPONDENCE.

195. One of the most fruitful sources of corruption is the abnormal delays in correspondence, due to which the parties concerned are compelled to go to offices and contact employees concerned for expediting disposal of their work. It is during such contacts that corrupt practices are resorted to. We, therefore, recommend that each office should maintain a register in which references from the public pending for more than a month should be entered and put up periodically before the executive officer in charge of the office. It would be the responsibility of the executive officer concerned to ensure that the final disposal of such cases is expedited. Persistent delays in disposing of references from the public, as revealed in this register, should be taken as a reflection on the supervision of the executive officer concerned. It should also be laid down that the executive officers should make proper and detailed inspections once every six months of the offices under their charge.

#### PERIODICAL TRANSFERS.

196. There is a rule that the line staff and the gazetted officers should normally be transferred every five years. We find that this rule is often violated. Cases have come to our notice where a person is allowed to work in the same post for more than ten years. An employee who remains at the same place and in the same job is not only likely to fall into a rut, but also to form undesirable associations which might influence him in his dealings with the public. Sometimes, to technically fulfil the requirement of this regulation, employees are transferred to nearby stations and, after a few months, retransferred to the places where they were working before. A more rigid observance of the five years' rule should be insisted upon. It should also be laid down that normally when an employee is transferred from a place, he should not be reposted to the same place within three years.

#### ENFORCEMENT OF RULES 8 TO 13 OF RAILWAY SERVANTS' CONDUCT RULES.

197. The Indian Railway Enquiry Committee, 1947, had observed that no effort was being made to enforce these rules and had recommended that they, particularly

rule 11, should be complied with. This rule lays down that every Railway servant or candidate for service must make a declaration of all immovable property, which may be held or may from time to time be held or acquired by him or by his wife or by any member of his family living with or in any way dependent upon him.

We agree with the observations of the Indian Railway Enquiry Committee that no honest Railway employee would object to comply with the requirement of the rule. We are glad to note that the Home Ministry, in their revised Government Servants' Conduct Rules recently published, have issued instructions for enforcement of this rule regarding immovable property and have also extended it to movable property exceeding Rs. 1,000. We recommend that enforcement of this rule should be expedited on the Railways.

#### APPRECIATION OF MERITORIOUS WORK.

198. All the Government employees are, of course, expected to do their work efficiently and honestly. Nevertheless we recommend that cases of exceptional and outstanding work should receive special recognition by granting of honoraria, letter of appreciation and medals, honoraria being confined to non-gazetted employees only. Similarly, successful efforts of an officer to root out corruption should be considered as one of the qualifications for accelerated promotion.

#### PERSONNEL WELFARE.

199. During the course of our enquiry, it was represented to us that low wages of class III and IV staff is one of the factors responsible for corrupt practices. The question of low emoluments of the subordinate staff is a much wider question not confined to Railways alone. It concerns all the departments of Government and can only be reviewed in that larger perspective. As it is, considering their pay and other facilities enjoyed by them, the lower grade Railway employees are in no worse position than similar employees in other Government departments having the same educational or other qualifications. Even in the lowest grades, the emoluments of Government employees as a whole, together with other facilities they get, compare favourably with those of their compeers outside Government service. This does not mean that the State should not set a higher standard.

200. However, there is another direction in which, if progress is made, much of the complaint about the meagre pay of the lower staff may lose a good deal of its edge. It is the enormous disparity between the lowest and the highest paid salaries. While in most modern countries the difference between highest and lowest incomes is about ten times or even less, in India it is much more. This is out of all proportion to the difference in educational qualifications and ability. High salaries generally lead to luxurious living. The standard of living of high paid officials becomes the norm to be aspired to. Every subordinate tries to emulate his superior. If his salary does not warrant it, he gets money through doubtful means. True, these high incomes are the privilege of the few, yet their demoralising effect is out of all proportion to their number. We believe that, so far as the disparity in the emoluments of the lowest and the highest paid Government employees is concerned, it should be narrowed down. It is argued that, as long as the disparity between the lowest and highest paid employees in trade and industry remains high, Government, if it tried to reduce high emoluments to its executives, will not get the requisite talent for public service. This has not happened in other democratic countries, because of the power, prestige,

fixity of service and other advantages enjoyed by Government servants. All these advantages exist in India to a greater degree than in other countries where democratic traditions have been established for centuries. We believe that, if the Government takes the initiative in reducing disparity of emoluments of its high paid and low paid employees, it will set the pace in commerce, industry and other professions. The disparity will progressively reduce as we march towards socialism, which has been declared to be the goal of Government policy.

201. While we hesitate to recommend an immediate increase in the pay of the subordinate Railway employees unless the question is reviewed as a whole, yet we believe that till this is done, the Government contribution to the Provident Fund should be more in the case of lower income groups than that for the higher income groups. We also feel that, in a Welfare State, an employee should not be treated as merely a cog in the administrative machine but as a person who should be given full scope for his development and for the performance of his duty towards his family and society. In this respect, the authorities should do their best to put the directive principles of State policy as laid down in Part IV of the Constitution progressively into practice.\* With this end in view, we recommend that greater attention should be paid to the problem of staff welfare than heretofore.

202. We recommend that the Personnel Branch should be separated on each Division and District where this has not been done and that it should be placed under a District or Divisional Personnel Officer. Apart from the routine staff matters, it should be the responsibility of this Officer to interest himself more actively in staff welfare and ensure that the various facilities provided for the benefit of employees are actually and impartially made available to them. We indicate below the existing facilities and the direction in which improvement is called for.

203. **Educational facilities.**—The Railways assist their employees in the education of their children in various ways :—

- (1) At some stations where alternate facilities for education do not exist, Railway schools have been opened which are managed by the Railway Administrations.
- (2) At certain other places, schools which undertake to admit Railway employees' children are given grants.
- (3) If a Railway employee has to send his children to out-station for lack of a school of a requisite standard at a place where he is posted, part of the cost of education is made good by the Railways.

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\* Articles 38, 41, 42 and 43 of the Constitution :

38. The State shall strive to promote the welfare of the people by securing and protecting as effectively as it may a social order in which justice, social, economic and political shall inform all the institutions of the national life.

41. The State shall, within the limits of its economic capacity and development, make effective provision or securing the right to work, to education and to public assistance in cases of unemployment, old age, sickness and disablement, and in other cases of undeserved want.

42. The State shall make provision for securing just and humane conditions of work and for maternity relief.

43. The State shall endeavour to secure, by suitable legislation or economic organisation in any other way to all workers, agricultural, industrial or otherwise, work, a living wage, condition of work ensuring a decent standard of life and full enjoyment of leisure and social and cultural opportunities and, in particular the State shall endeavour to promote cottage industries on an individual or co-operative basis in rural areas.

There are about 151 schools run by the Indian Railways for the benefit of the children of their employees. This number is totally inadequate and we recommend that more such schools should be opened particularly at places where facilities for the education of children are non-existent. We understand that a scheme for the provision of subsidised hostels at educational centres for accommodating the school going children of Railway employees working at smaller stations is under consideration of the Ministry for about a year. This scheme should be finalised without further delay and to begin with at least one subsidised hostel should be provided on each zone. The scheme should be progressively expanded.

We also feel that any distinction in rules between different classes of Railway employees in respect of educational and medical assistance and leave rules is undesirable and should be done away with.

**204. Medical facilities.**—Medical facilities available to the Railway staff are no doubt better than those available to the general public as will be evident from the figures given below :—

	Total number.	Per 1,000 of Railway employees.	Per 1,000 of Rly. employees & their families.*	Per 1,000 of population in the country i.e. civil, medical facilities.
1. Railway Hospitals .. .. .	72	0.08	0.02	0.008
2. Railway Dispensaries .. .. .	380	0.42	0.11	0.019
3. Beds .. .. .	2,789	3.01	0.75	0.33

There is also corruption in the Medical Department as we have already pointed out, with the result that the Railway employees, particularly in the lower categories often do not get the full benefit out of the available resources.

The District/Divisional Personnel Officer should pay frequent visits to Railway Dispensaries and attend to complaints. In addition to the maximum utilisation of the existing medical facilities, suitable provision should be made in the Second Five Year Plan for systematically expanding these on the Railways and providing modern equipment. Also better attention should be paid to sanitation and hygiene. We also recommend that T. B. Sanatoria should be established, at least one on each Railway. We are glad to note that in this year's budget speech, the Minister has appreciated the urgent need of central and co-ordinating direction from the Railway Board of the Medical services.

**205. Recreational facilities.**—With a view to encourage *esprit de corps* amongst the employees and to encourage them to participate in sports and tournaments and to develop their bodies and mental efficiency, Railway Administrations have provided 488 institutes and clubs. As a general rule, the Railway Administration bears the initial cost of buildings including cost of electrical installations with necessary furniture,

\* Based on total average family strength including the employees being counted as four.

tennis courts, playgrounds, swimming pools etc. and also the cost of normal repairs. The institute funds bear the cost of maintenance, such as cost of water, grass cutting, electrical current consumed and day to day expenditure on management and running of institutes. These also get assistance from the Staff Benefit Fund, the quantum of assistance being at the discretion of the Staff Benefit Fund Committee. The institutes are managed by Committees consisting of employees themselves. The membership is optional and the fee nominal. All employees are entitled to enjoy the benefit of the institutes. Employees from outstations participating in games and tournaments are granted Railway passes and special casual leave. In addition, the Welfare Inspectors visit each stations and arrange for the organisation of games, sports etc. While appreciating the effort made in this direction, we feel that the number of institutes, clubs and other facilities for sports and games should be increased. We welcome the Minister's announcement in the budget speech for 1955-56 that the opening of rest houses for the staff at suitable hill stations or seaside resorts or other healthy and pleasant spots where they can spend their holidays at moderate cost and in reasonable comfort is under consideration. We hope that this scheme will materialise without undue delay.

**206. Passes and P.T.Os., Railway Uniforms, Leave etc.**—The Divisional/District Personnel Officers should also take an active interest to ensure that these privileges are made available to the employees without difficulty. In all these matters we heard repeated complaints from the staff in the lower grades.

**207. Incentive Bonus Scheme.**—We are glad to note that an Incentive Bonus Scheme has been recently introduced at the Chittaranjan Locomotive Works in the machine section and it is proposed to be extended to other units. The result of this scheme should be closely watched and it should be introduced at other workshops on the Railways. Such schemes, if properly worked, will not only provide a good incentive to employees to put forth their best but also result in increased work and production to the benefit of the country.

**208. Problems of promotion.**—The efficiency of an organisation depends upon the management selecting able employees and promoting them to jobs which they are best fitted to perform. It is also necessary that every employee should have the opportunity of being trained for a higher job. Promotion policy must therefore be closely co-ordinated with training. There is dearth of trained personnel on the Railways due to expanding needs. Suitable training facilities should be provided on a planned basis to ensure that adequate cadre of trained personnel is always available. The avenues of promotion should be so increased that normally an average intelligent and conscientious employee would get promotion or rise to a higher grade after suitable intervals. Some representatives of the Railway Employee's Unions have said that all promotions should be on the basis of seniority. We do not agree with this view in its entirety. Provision will have also to be made for efficiency, merit and integrity.

**209. Housing facilities.**—The policy followed by the Railway Administrations is to build quarters for the Railway staff at stations where there is shortage of accommodation on hire or where quarters are required for housing the really essential staff essential in the sense that they are required to reside near their places of work and are liable to be called on duty any time and at odd hours. The number of quarters for the staff is wholly inadequate. We recommend that the tempo of building staff quarters should be substantially increased.

We have received a number of complaints regarding the irregular and unfair allotments of quarters. A clear policy about priority in allotment must be laid down and strictly adhered to. Priority registers kept by the District/Divisional Personnel Officers should be open to scrutiny by the Sub-Committees referred to in paragraph 212. This will go a long way in eliminating these complaints.



**210. Canteens for Railway Staff.**—As part of labour welfare activities, Railways have set up canteens to serve cheap and wholesome food to workers near the place of their work. Railway Administrations provide accommodation, furniture, electric and sanitary installations, crockery, cutlery and other equipment in addition to bearing charges for electricity and water supply. For the rest the canteens are expected to be self-supporting. They are run under departmental management, the profit motive being entirely eliminated. The employees are permitted to run the canteens themselves on a co-operative basis wherever feasible, but under the direct supervision of the Administrations. At present about 109 canteens are functioning on the Indian Railways, serving approximately 111,000 employees. Taking into account the number of District and Divisional and other important centres and workshops, this number is inadequate and should be increased. We got the impression that the Railway officials in some places do not give sufficient encouragement for running canteens on co-operative basis. We feel that greater encouragement should be given by the higher officials in the development of these canteens. The District/Divisional Personnel Officers should actively interest themselves in the development and efficient management of these institutions.

**211. Co-operative Societies and Stores.**—We recommend that the Railway Ministry should continue to pursue with greater urgency their policy of developing co-operative credit societies, co-operative stores, co-operative banks, co-operative insurance, and even housing societies where possible, for the benefit of the employees.

**212. Association of representatives of the employees in staff welfare work.**—On each Division or District, there should be a sub-committee consisting of the representatives of recognised Unions, Welfare Inspectors and the Staff Committees, wherever in existence, to look into specific complaints of the staff in such matters as receipt of passes, P.T.Os., leave, due increments etc. It should be responsibility of the Divisional or District Personnel Officers to take prompt action on the reports of such sub-committees.

Attention to personnel welfare by the Railway Administrations will help not only to increase the output of work, but also promote amongst them a feeling that they have a stake in our Railways. This, we hope, will diminish the amount of corruption on the Railways.

#### INCREASED FACILITIES FOR THE USERS OF RAILWAYS.

**213.** As mentioned earlier, inadequacy of transport, whether in the case of passenger, parcels or goods traffic, facilitates corrupt practices. Adequate supply of engines, coaching stock, parcel vans, goods wagons, and facilities for the quick movement of stock over various routes, which are at present regarded as bottlenecks, should receive primary attention of the Ministry of Railways. From a perusal of the pamphlet "The Progress of the Five Year Plan on Indian Railways," we notice that even by the end of the First Five Year Plan, the rehabilitation of the stock of the Railways would not be complete. It is therefore, necessary that adequate provision be made in the Second Five Year Plan not only to make up for the arrears but also to build up sufficient assets to enable the Railways to cope with the present transport demands and the further demands that would be made by an expanding economy during the period.

Similarly, additional facilities in the goods sheds, proper fencing of the stations, goods sheds, yards and depots, and proper lighting of the Railway premises should be provided for on a planned basis.

## PUBLICITY.

214. During the course of our enquiry, we found that many of the facilities made available to Railway users are, in practice, denied to them unless some unauthorised payment is made. This is generally due to the ignorance of what the public are entitled to. Unscrupulous employees exploit this ignorance. We, therefore, feel that greater publicity should be given by the Railways than hitherto for making widely known :—

- (a) the facilities that are available,
- (b) the procedure to be adopted for making full use of them, and
- (c) the machinery that exists to bring to the notice of the Administration any complaints regarding the same.

This publicity and propaganda may be effected through posters, magazines, pamphlets and suitable notices in the Railway time-tables. Periodical review, in Consultative Committees, of the facilities available to the general public would also be useful. Similarly, suitable publicity should be given to the various facilities made available by the Administrations for the benefit of its employees, particularly those in the lower categories, who sometimes are not aware of them. This may reduce the exploitation of one section of the staff by another. There should be constant propaganda through the medium of posters, pamphlets and films, both amongst the members of the public and the Railway employees, bringing home the evil consequences of corruption and appealing to their good sense to desist from it. The public should also be warned against offering illegal gratification and informed that they make themselves thereby liable to criminal prosecution. Posters about this should be exhibited at all the Railway stations. Publicity on these lines through microphones and loud-speakers should also be given at some large stations.

## PSYCHOLOGICAL APPROACH.

215. As mentioned earlier, corruption is a problem not confined to Railway department. It is common to all Government departments and is deep rooted. A change of outlook on the part of all concerned is, therefore, essential for grappling with this evil.

Before the 15th August 1947, this country was under the domination of foreign rulers. The Railways were primarily built to enable them to have effective means of communications for their armed forces, for free and cheap movement of goods imported mostly from England and as a business concern yielding maximum profits. Since the attainment of freedom, the role of the Railways has completely changed and they have to take their rightful place as an effective instrument of transport as also contributing towards the country's economic reconstructions. With this change in the role of the Railways, there should be a corresponding change in the attitude of those who run this huge machinery as also of the using public. While there has been a growing consciousness of this problem, the steps taken so far have not borne satisfactory results.

216. **Gazetted Officers.**—During the early British regime, the gazetted officers in Railways, as in other departments of Government, acted as bureaucratic masters whose word was law and who were able to maintain discipline through fear because of the power concentrated in their hands. With democratic progress of the country

and the change in social temper, these bureaucratic powers have been circumscribed with a view to safeguard the interests of the public and the workers. Many gazetted officers have now asked for increase of their powers to enable them to take disciplinary action against the subordinate staff. We are sorry we cannot agree to such increase of power. It would, in our opinion, be a retrograde step. The officers will now have to cease to be the arbitrary rulers of the destiny of those who are placed under them and will have to discharge the new role of leaders of the men working under them. This leadership cannot be gained merely through fear but by good understanding and by setting an example of efficient and honest handling of the task allotted to them and by absolute fairness and impartiality in their dealings with their subordinates.

In former days, it was considered smart in Indian higher circles to imitate the costly and what was considered by them fashionable living of the foreign masters. With the new set up, however, all this must change. People in authority and in high places should adopt standards of living more in keeping with general living conditions and standards in India and the spirit of the times. It is, therefore, necessary for the high Government Officials (in the Railways as well as in other departments) not to indulge in conspicuous consumption vulgarising society. Though we have come across many gazetted officers who lead a simple life and are teetotallers, we have also come across a number of high officials who still continue to maintain the old standards unsuited to a poor country like ours democratically governed with expensive habits, the temptation to accept 'dallis' and presents is great. Such conduct does not go unnoticed by the subordinate staff. The demoralising effect of this on the latter is incalculable. Instead therefore of setting pace of costly and fashionable living, high officers should set an example of simple living and a high regard for their duty in a democratic, socialistic and welfare state. It was brought to our notice—and we have no reason to doubt the veracity of the statement—that one of the General Managers issued instructions to the Lift Boy of his office that, when he was using it, nobody else should be permitted to step in. Even gazetted officers working in his office were precluded from using the lift along with the General Manager. Such an attitude would have been wrong even in a European General Manager during the British regime but it is doubly so in an Indian under the present set up. It would only serve to estrange him from the body of workers whom he has the privilege to lead.

We have also noticed that some of the Railway officials consider the Railways Unions as an unmitigated evil. It is true that Trade Unionism in India has not developed on proper lines and the attitude of the Trade Unions is one of general hostility towards the management. We, however, feel that the gazetted officers should assist the Trade Unions to develop on healthy and useful lines. A properly organised Trade Union will go a long way in maintaining smooth relations between the management and the workers and will assist the former in fulfilling its onerous and delicate task. Through good relations with the Trade Unions, the officials may be able to induce the former to help them in eradicating corruption.

**217. Railway employees in class III and class IV and the Unions.**—During the former regime, the Railway employees were considered, and considered themselves, as mercenary workers who were primarily interested in getting their wages and earning whatever extra money they could. The work that they did for the Administration was mainly out of fear. Now, however, with the attainment of freedom, every Railway employee has to realise that he has a very important role to play in the economy of the country and the work that he gives should not spring from fear or mercenary motive but should be in fulfilment of the important role that he has to play as a free citizen, of a free country. The Railway Unions have to play a very important role in this

respect. We are, however, sorry to note that the development of the Unions on the Railways has not given them any idea of this altered situation in the country. The majority of the local Unions often adopt bullying tactics towards higher officers and their office bearers are sometimes interested in getting personal advantage for themselves and their friends through their influence. In regard to corruption, the attitude of the Unions is that it is the higher officials who are the chief culprits, and if the lower staff take bribes, it is to satisfy the illegal and unreasonable demands of higher officials. When questioned about the corruption among Railway employees in class III category in their dealings with the ignorant users of Railway or in their dealings amongst themselves, they could offer no satisfactory explanations. It also came to our notice that some local Union officials charged fee for representing individual cases of employees to the Administration. This is the worst thing that a Railway Union could do.

In Assam, in several places, we saw ludicrous demonstrations with black flags staged against the Enquiry Committee by a local Union raising slogans of 'Go Back'. Other slogans raised were that higher officials alone were responsible for corruption in the Railway. Incidentally, we noticed that the materials used for posters in their demonstration belonged to the Railway. The Union's effort should rather have been directed to giving evidence which would have assisted the Committee in its task. The Secretary of one local Railway Employees' Union went to the extent of suggesting that, when a merchant pays extra money to the Railway staff, nobody loses and the poor staff gain. This indicates a perverse mentality which would stand in the way of any reform. We recommend that the central executive of the National Federation of Indian Railwaymen and other Unions should issue clear directives to all the Unions affiliated to them laying down the new role that the Unions have to play in free India. Their rights must flow from duties faithfully and conscientiously performed. They must also understand that any action of theirs which injures national interest is sure, in the long run, to injure their class interest. It would add to the credit of the Unions and their influence if explicit rules are laid down that any Railway employee who has been found indulging in corrupt practices will be debarred from membership of the Union.

We also feel that the Railway Employees' Unions, instead of dissipating their energies in merely running down officers and adopting an attitude of constant wrangling with the management, should concentrate their energies on constructive work which would teach workers habits of co-operation and self help. They must use their funds, with whatever help they get from the Railways, to organise night schools, housing societies, co-operatives etc.

During the last eight years, the Railway Ministry has taken a number of steps to improve the condition of the Railway employees such as revised scales of pay, dearness, compensatory and house rent allowances, liberalised leave rules, implementing the Adjudicator's Award, limiting hours of employment etc. Unfortunately, the full benefit of these measures has not been received by the general run of employees. We received a large number of complaints from the subordinate staff about the delayed receipt of their T. A. overtime allowance and the provident fund after retirement. In the case of officers, there is no delay in the receipt of dues. Lower officials also find great difficulty in their getting due leave at the proper time. The Railway employees of one department or the other are themselves to blame for this and they too are the members of the Unions. It is in these directions that the Railway Unions can play an important and helpful role. They should co-operate with the Railway Administrations and assist in ensuring that the various privileges that have been conferred on the employees are really made available to them. We have suggested machinery for this while discussing "Personnel Welfare".

In this connection, every Railwayman should keep observations made by the Minister in his last budget speech, constantly before his mind. He said :—

“Howsoever well equipped the Railways may otherwise be, their efficient working depends mainly on those who actually run them. If they are not upto the required standard, if they have not caught the spirit of the times and if they do not basically believe in the democratic approach, Railways would lose dynamism and not have served their full purpose. I need not therefore remind Railwaymen, officers and workers alike, of their continued obligation to maintain and foster the development of the highest ideals of service to their countrymen in the performance of their duties”.

**218. General public using the Railways.**—During the pre-independence days, the general attitude of the public towards the Railways was to take advantage of the facilities it afforded without paying the due cost if possible. Unfortunately this attitude still persists amongst large sections of the travelling and business public.

During the course of evidence, representatives of some of the Chambers of Commerce and other Trade Associations complained bitterly of corruption and how it hampered their business. However, they were candid enough to admit, as mentioned earlier, that their organisations had given little thought to the problem of corruption in so far it was encouraged by the conduct of merchants themselves. This attitude of the business community is evident not only in the dealings with the Railway but also with other Government departments. Evasion of sales tax, dodging of income tax by maintaining false accounts, giving articles underweight by keeping false weights, indulging in black marketing—all these are the result of the same attitude of mind. Unless this deep rooted attitude of indifference to public good and to one's duty as a good citizen is changed, it would be difficult to eradicate corruption from Government employees. It is not enough for the public to say that if bribes are not given, their work will not be done and they will be harassed. Citizens of a free country of the right—nay the duty—to insist that public servants render due service for which they are paid from public coffers. It is rightly said that eternal vigilance is the price of liberty. Our democracy will not work unless there is honesty and efficiency in administration. Under present circumstances this is not possible merely through governmental action. Citizens themselves will have to be vigilant and they must insist upon their rights. They should also be prepared to pay, if necessary, the price of such insistence with some temporary loss or inconvenience to themselves. A strong public opinion must therefore be created and a determined effort made to withhold payment of illegal gratification. It would be more fruitful if such efforts are made by organised bodies of social and constructive workers and other public bodies. Also, Passengers' Associations must make it a rule that any individual found to have indulged in offering illegal gratification will be debarred from the membership of these bodies. Members of public associations should further be prepared to come forward with information and evidence if they have knowledge when a charge of corruption against a Railway employee is made. They must also approach high authorities with well-authenticated cases.

**219.** We recommend that at every District and Divisional Headquarters and also at important industrial centres, a Consultative Committee should be constituted. The representatives of the Chambers of Commerce and of local trade and industry and the general public through local bodies should be represented on these Committees. These should represent as wide a section of Railway users as possible. Such Committees should replace the present Goods shed Advisory Committees wherever in

existence. The functions of the Consultative Committees would be to discuss the difficulties experienced by the users of the Railway on the entire District/Division and also to bring to the notice of the Administration cases of harassment by the Railway staff. The Members should be authorised to check complaints made in the Complaint Books and the action taken thereon. In cases of complaints of bribery and corruption, the Committee should be authorised to nominate one of its Members to be present in any enquiry held by the Administration. If the results of the enquiry reveal that a particular businessman or a group of businessmen have been regularly offering illegal gratification for getting unfair advantage over their colleagues, the matter should be put up to the Consultative Committee, which would recommend to the Chambers of Commerce or the Passengers' Association, the appropriate action to be taken against such offending groups or individuals. Public opinion should also be trained to attach some odium to such anti-social activities.

The meetings of the Consultative Committees should not be less frequent than one every alternate month and it may be considered whether members of the Committee should be authorised to get the passenger trains checked for ticketless travelling in their presence.

220. Railways have at present Regional, Zonal and National Consultative Committees to associate public opinion with their working. However, evidence before us indicates that these Committees are a formal character and not much useful purpose is served by them in regard to eradication of corruption. We feel that these Committees should play a more positive role for the eradication of corruption. The recent orders issued authorising the members of the National Consultative Council to have the passenger trains checked in their presence are, we feel, in the right direction. The members of these Committees should also be authorised to check public complaints lodged in the Complaint Books and should be authorised to enquire about the action on such complaints. Any member of these Consultative Committees, not satisfied with the manner in which a particular public complaint has been dealt with, should be entitled to recommend that the file be sent to the next higher authority for the review of the case. If any member of the Committee feels that a particular procedure adopted at particular station is leading to malpractice, he should bring this before the Committee, where it should be discussed. The Consultative Committees should further be authorised to suggest revised procedure to facilitate work and their suggestions should be implemented by the Administration, if found feasible. If the suggested change in procedure is not found suitable by the Administration, the reasons for the same should be furnished to the Committee in writing. In such cases, the Committee will have the option of forwarding their recommendations to the next higher Committee, *i. e.*, if the recommendation of the Regional Committee is turned down, it may be forwarded to the Zonal Committee for consideration. If the recommendation of the Zonal Committee is turned down, it may be forwarded to the National Consultative Council for consideration. The Administration should be more responsive to public opinion expressed through these Committees than at present and the scope of these Committees should be extended. Normally, barring, the questions of individual Railway employees such as their appointments, emoluments, promotions, transfers and punishments, practically all matters of public interest connected with Railway should be allowed to be tabled for discussion.

221. **Part to be played by the political leader and social workers.**—In a democratic set up, the role played by the representatives of the people, political leaders, legislators etc. is extremely important. It is ultimately the Ministers and the legislators who are the repositories of the power that flows from the people. They also frame the laws of the land. They hold a privileged position in society. Their power, privilege

and position may be used for good or evil. Considerable exercise of self-restraint on the part of Ministers and legislators in exerting their influence is, therefore, necessary. A number of cases have come to our notice where the legislators have approached the Ministers or the Government officials recommending cases of individual Railway employees for promotions, transfers, cancellations or reduction of punishments, etc. We strongly feel that such recommendations should be avoided. It is common knowledge that, if an employee is punished for some irregularity, he tries to make out that he has been wrongly punished. Therefore his version cannot be accepted as correct, without further probe into the matter. If, however, a preliminary examination of his case does indicate that some injustice has been done, the legislator may forward his case to the Railway Minister for review. The question of promotions and transfers should always be left to the Administrations. Even if it is felt that some injustice has been done, no specific recommendation should be made. The matter should be brought to the notice of the Minister. Similarly, in the case of appointments, the normal procedure laid down should be allowed to be followed and the intending candidates should be asked to apply through the proper channel. We feel, under no circumstances, should a legislator approach officials direct. He should consider it below his dignity to do so. This is the convention in every well regulated democracy. The legislator may at any time become Minister and, if he has approached administrative officials for favours, he will find himself in awkward position while in authority. Nor must high dignitaries of the State recommend directly or indirectly individual cases to the Administration. In this connection, we would like to quote the reply given by a Member of Parliament, who is also a Member of the National Railway Users' Consultative Council, during the course of evidence. To our question as to why little action was being taken in the cases of corruption, he said: "The reason probably is that every officer feels that he can approach an M. P., who in turn can approach the Hon'ble Minister, and the case will be withdrawn. We are also partly to blame for this state of affairs." There has been an unfortunate feeling widely prevalent among Government employees, including the Railway employees, that, if they have a legislator to advance their cause, they can have their cases viewed favourably, whether for appointment, promotion, transfer or punishment. It is very necessary that this feeling is eradicated and Government employees are made clearly to understand that their prospects in any direction depend solely on their merit and their good and honest work. If this healthy atmosphere is created, it will be possible for higher officials to decide cases on merit and not under outside influence. If this restraint is not exercised by public men and representatives of the people, the country will be in a bad way. Anyway, servile dependence on patronage is no mark of a free citizen. Proper atmosphere can be created if those in the public life of the country, to whatever party they may belong, lay down healthy conventions and refrain from interfering with the Administration to accommodate their relations, friends and castemen or those who have personally obliged them. Only in cases where a reference has been made to them in the application of the candidate and the appointing authorities ask for it, they may give their genuine opinion about the merits of the candidate in question.

Further, public men and social workers should be alive to the danger of corruption in public administration. It undermines the foundation of social and individual morality, more today when the leadership of people has passed from religious heads to public men working in the political field who have acquired a great deal of prestige for having worked and suffered so recently in the cause of freedom of the country. By precept and practice and constant propaganda as they did before independence, they should make the general public conscious of their civic responsibility and create a strong opinion which will not tolerate any individual or a group indulging in anti-social conduct. Those whom circumstances have placed in the favourable position of

leadership should realise that the benefits of the facilities provided by a democratic Government very often do not filter down to the masses due to the evils of nepotism, favouritism, bribery and corruption. Here the following pertinent observations of Burke are worth noting :

"Corrupt influence is itself the perennial spring of all prodigality, and of all disorder ; it loads us more than millions of debt, takes away vigour from our arms, wisdom from our councils, and every shadow of authority and credit from the most venerable parts of our constitution."

**222. Social Education.**—In previous ages, ethics was always a branch of religion. The scripture, the church and the priest were its authorities. The priest therefore occupied a position of pre-eminence and leadership. In modern times efforts have been made to derive ethical values from other sources, from utility, from biological evolution, anthropology, behaviourism, economic determinism etc. These have not succeeded. On the contrary, they have created confusion. Further confusion has been created by the modern break up of the unity and integration of life that had been accomplished in former ages through religion. Today, every department of life tends to be separate and self-sufficing. There is autonomy of physical science, biology, psychology, economic, politics, education etc. This may be good enough for analytical study but in practice it breaks the unity and integration of life in the individual and in society.

In our country, Gandhiji tried to restore this unity not through any particular religion, but on the basis of certain fundamental human and ethical values and principles. These fundamental moral values according to him were truth and non-violence and purity of means and ends. They can only be put in action in community life. Gandhiji therefore conceived the individual as a social-individual who can prosper and advance only in society through mutual help and peaceful co-operation. Morality must today be built on social and civic virtues, by a citizen faithfully discharging his obligations to society. He must find his highest good through disinterested discharge of his obligations to society of which he is a member and outside which his life can have little meaning or significance.

It is, therefore, no wonder that the leadership in the moral field has passed from the hands of the church and the priest to voluntary associations and public men prominent in the social, political and economic life. Though the moral leadership has passed into hands of public men, their conduct in many cases is not unfortunately always guided by high ethical principles on which Gandhiji laid so much stress. It is too late in the day to think that moral leadership can again be exclusively restored to the church and to its dignitaries. It will have to remain in the hands of public men in all spheres of life. They must give an example of an integrated life working for social ends which do not exclude the good of the individual but the individual's good is realised in and through social service and welfare. There seems no other way to fulfil the requirements of moral values today. It is therefore that we have laid so much stress on the example that is set by the leadership in public life and in the Administration. When we talk of leadership on public life, we are not thinking in terms of politics alone or of a particular political group or party but of the total public leadership which should not be confined merely to the political field as today in India, but must also come from eminent persons in science, philosophy, literature, art, education etc.

We are conscious that this problem is not directly within the control of the Railway Ministry. It has reference to the general condition of the moral health of the community and must find its strength, as we have said, from various sources. We must



evolve not only economic socialism but also, as suggested by the Vice President, Dr. S. Radhakrishnan, in one of his recent speeches, a "kind of socialism which is ethical in quality". When he used the word ethical, we take it that he used it in a comprehensive sense in which the Father of the Nation used it when he said good ethics is always good economics and good politics. Whatever is against the fundamentals of morality cannot be good economics or politics, conceived as they ought to be in human terms and not merely in terms of material goods, possessions or success. Unless we lay solid foundations on ethical basis for the social order that we are seeking to create, most of our dreams will remain unfulfilled. For this we will also need revolutionary reorientation of our educational system. It too must have a social basis and must teach the pupil habits of integrated and co-operative work and theoretical knowledge based on these.

We must apologise for this excursion in a field where our competence is limited. But as it has intimate bearing on the subject of our enquiry, we have ventured to give our views. We feel that better people than ourselves must give their attention to this comprehensive aspect of our ethical and general education.

## B. PUNITIVE MEASURES

223. We have discussed the preventive measures in great detail because we believe "prevention is better than cure". The preventive measures suggested, if promptly undertaken in the right spirit, will, we believe create an atmosphere against corruption. However, as things stand today, this will not be enough. There must also be side by side an honest and efficient machinery for the detection of crime and bringing the culprits to book.

224. The organisations already in existence on the Railway for the purpose of prevention and detection of crime are :

- (1) The Government Railway Police.
- (2) The Watch and Ward.
- (3) The Anti-Corruption Organisations on the Railways.
- (4) The Special Police Establishment.

In certain states there is also a force of Railway Protection Police for escorting goods and passenger trains and for similar duties.

225. **The Government Railway Police.**—The machinery of the Government Railway Police in different states is far from satisfactory. Evidence before us shows that the Government Railway Police officials very often themselves indulge in corrupt practices generally in collusion with the Railway staff. The forms of corrupt practices commonly indulged in are:

- (i) travelling without tickets.
- (ii) assisting ticketless travellers on consideration.
- (iii) getting commission from rikshawallas and tongawallas parking outside the station premises, and
- (iv) getting their 'tax' from *Kangali* boys and pickpockets for allowing them to indulge in petty pilferages etc.

More often than not, the Government Railway Police officials have a share in the illegal pool normally collected at stations. In case of running train thefts etc., if the staff involved pay hush money to the Government Railway Police officials, there is either no interference or cases are not honestly conducted or even squashed. One Superintendent of Railway Police frankly admitted that G.R.P. staff were corrupt and that they frequently mixed up with the ticket checking staff to dupe the public. He further stated that it was because of such opportunities to make illicit gains that transfers to G.R.P. were quite popular amongst the constabulary class. There is also lack of co-ordination amongst the Railway Police and the Civil Police in prevention and a detection of crime and the prosecution of culprits. In this connection we would draw attention to the various recommendations of Shri B. N. Mullick. The measures suggested by him should be vigorously implemented by the Home Ministry in close co-ordination with the State Governments and the Railway Administrations.

**226. Watch and Ward Department.**—From the evidence that has come before us, we are sorry to conclude that the Watch and Ward department of the Railways has not been very effective as far as the prevention of thefts of Railway property and that of the public entrusted to their custody are concerned. Some of the Railway officials were themselves sceptical about the role played by the Watch and Ward. We, therefore, welcome the recent steps taken by the Railway Ministry to completely reorganise this department under the direction of the Security Adviser to the Railway Board. We are in agreement with the recommendations made by Shri B. N. Mullick about the reorganisation and suggest that these recommendations should be implemented without delay and the department be reorganised as a statutory force on the lines indicated in appendix V of his report.

**227. Railway Protection Police.**—In this connection also we agree with the recommendation of Shri B. N. Mullick that the Railway Protection Police should be replaced by ordinary Railway Police.

**228. The Anti-Corruption Organisation on the Railways and the Special Police Establishment.**—We have already discussed these in detail in a previous chapter.

**229. Simplification of Enquiry Procedure.**—During the course of enquiry, it was represented to us by many high Railway officials that the procedure of enquiry, which is required under the rules before removal or dismissal of a guilty Railway employee is very elaborate and complicated. The result is that often it becomes difficult to complete the enquiry expeditiously and to take effective action. The accused takes advantage of this elaborate procedure to secure postponement of enquiry and puts obstacles in the way of its finalisation. In order to ensure expeditious completion of enquiries, we recommend the following minor modifications without affecting the safeguard provided.

*“ Enquiry procedure.—(1) In a departmental enquiry, if the accused person is entitled to the assistance of another Railway employee or a Union official to conduct his defence, he should, within fourteen days of the receipt of the intimation about holding the enquiry, advise the officer concerned, in writing, three names of staff or Union officials belonging to the Division or District to which he belongs, whom he nominates for such assistance, in order of priority. Before nomination, it will be his duty to ascertain from the persons indicated that any one of*

them if called upon would be prepared to act as his counsel. The Railway authority concerned will arrange to spare for attendance at the enquiry one of the nominees, preference being given in the order of priority if, for administrative reasons, the first nominee cannot be spared.

- (2) If, in the opinion of the Enquiry Committee, there is insufficient justification for the absence of the accused or his defence counsel, the enquiry may be held *in absentia*.
- (3) If the accused has any objection to a procedure followed at an enquiry, he shall immediately file his objection in writing. The Enquiry Committee will give due consideration to such objection and, if they consider it valid, they will suitably modify the procedure; if, however, they reject the objection, they may record their reasons and file it with the proceedings. The decision in this matter should be final.
- (4) The postponement of an enquiry can only be granted by the Committee if they consider that circumstances warrant such a course of action.
- (5) If the accused, without good reason, withdraws from an enquiry, the Committee will complete the enquiry in the manner they deem fit.
- (6) The accused is entitled to produce any defence witnesses, but in the case of non-railway employees, it will be his duty to produce them at the enquiry on the date fixed by the Committee.
- (7) The Committee may refuse to allow questions being asked which, in their opinion, are irrelevant or objectionable.
- (8) A departmental enquiry committee may be composed of one or more officers or class III supervisory staff, as the competent authority deems fit."

230. **Summary powers.**—Some high officials represented that they should be given summary powers to take drastic action against employees about whom there is strong suspicion, though conclusive evidence is not forthcoming. This provision exists for a large section of the employees under the existing rules, *vide* para. 1708 of the Indian Railway Establishment Code, Volume I, authorising the General Manager, in exceptional circumstances, to remove a non-pensionable non-gazetted Railway servant from service in terms of his agreement, without application of the procedure prescribed in the rules and without assigning any reasons, if he considers it desirable to do so. This para. also provides for the delegation of this authority to a head of department. There is similar provision for termination of service in the service agreement of the gazetted officers.

231. **Confiscation of property.**—We believe that there is already provision in law for confiscation of property of an employee being ordered by a court of law where a charge of corruption has been proved. If this provision is used more frequently than it has been hitherto, it would, in our opinion, have a salutary effect.

232. **Delegation of power for disciplinary action.**—According to para. 1704 of the Indian Railway Establishment Code, Volume I, the General Manager, in respect of Railway servants under his administrative control, may impose any of the penalties specified in Rule 1702 and may, subject to any conditions he may consider

necessary, delegate to the authorities subordinate to him to impose these penalties, except the withholding of provident fund contribution and gratuity and the reduction or withholding of pensions, with certain provisions. We understand that the delegation of these powers is different on different Railways. We feel that a comparative study should be made of the delegation of powers on the various Railways and this delegation should be so far as possible, on a uniform basis. The power to impose minor punishments which do not attract Article 311 of the Constitution should be delegated to the maximum to appropriate officials, as such delegation would not only serve to improve the position from the point of view of expedition but also would improve discipline amongst the Railway employees. The Appeal Rules will ensure that there is no misuse of these powers.

While on this subject, we recommend that the General Managers should be empowered to impose penalties of censure, withholding of increments and recovery from pay of the whole or part of any pecuniary loss caused to Government by negligence or breach of orders in the case of class I officers in the Junior Scale. (At present, these powers are vested in the Railway Board only).



## CHAPTER XII

## LEGAL MEASURES

233. Corruption on Railways has to be tackled as we have said before, in two ways, preventive and punitive. We attach greater importance to the former. Therefore we feel that there is only a limited scope for making changes in both the substantive and procedural laws. Hence we do not propose to suggest any radical change in the existing legal provisions.

## A. AMENDMENT OF THE INDIAN RAILWAYS ACT.

234. According to section (2) of the Prevention of Corruption Act (Act IV of 1947) a public servant means a public servant as defined in section 21 of the Indian Penal Code.

According to section 137, sub-section (1) of the Indian Railways Act, every Railway servant shall be deemed to be a public servant for the purpose of Chapter IX of the Indian Penal Code.

Under sub-section (4) of Section 137 of the Indian Railways Act, it has been stated :—

“Notwithstanding anything in section 21 of the Indian Penal Code, a Railway servant shall not be deemed to be a public servant for any of the purposes of that code except those mentioned in sub-section (1)”.

Chapter IX of the Indian Penal Code covers section 161 to 171 wherein, although the question of taking illegal gratification is covered, the offences as defined in section 5 of the Prevention of Corruption Act (Act II of 1947), relating to criminal misconduct in the discharge of official duties, are not covered. In order that the entire provisions of the Prevention of Corruption Act may be applicable to Railway staff, it is necessary that section 137, sub-section (1) of the Indian Railways Act of 1890 be amended as under :—

“Section 137(1).—Every Railway servant shall be deemed to be a public servant for the purposes of Chapter IX of the Indian Penal Code and for offences described under the Prevention of Corruption Act (Act II of 1947), as amended from time to time.”

## B. SETTING UP OF A HIGH POWER DEPARTMENTAL TRIBUNAL.

235 At present, there are two agencies for the investigation of corruption cases on the Railways, viz.,

- (i) Special Police Establishment,
- (ii) Anti-Corruption Organisation.

The Special Police Establishment deals only with important cases of corruption. The minor cases of corruption or the cases in which conviction cannot be secured in a court of law, are referred to the Railway Administrations. Such cases are usually investigated by the Anti-Corruption Organisation and dealt with departmentally.

As the normal punishment prescribed for bribery and corruption is removal or dismissal from service, a proper enquiry is instituted by a Committee of Departmental Officers, where the accused is given reasonable facilities to defend himself. As the Departmental Officers concerned have to do this in addition to their normal executive functions which are quite heavy, there is inevitable delay in the process. As Departmental Officers are in charge of day to day executive functions, there is a possibility of personal considerations being brought into play. Thus, either an effort may be made to make light of the offence committed or Justice may be partially or fully denied to the accused.

✓236. In order to overcome these difficulties, we suggest an independent high power departmental body to hold enquiry into corruption cases. There will be one such departmental body on each Railway consisting of two officials of the senior Administrative Rank—one of whom may be taken on loan from another department of the Government of India. On receipt of a report of investigation in a corruption case, the Chief Investigating Officer will decide in consultation with the General Manager, whether the case is sufficiently important to be referred to this body, and pass orders accordingly. The magnitude of the offence and not the status of the delinquent official will be the deciding factor for this purpose. In cases where it is decided to have a proper enquiry by the Departmental Tribunal, the Chief Investigating Officer will submit his report to the General Manager and the Railway Board, indicating therein that the case would be referred to the Departmental Tribunal. He will also indicate whether it is necessary to put the accused official under suspension, or to transfer him.

Within 15 days from the receipt of this report by the General Manager, a chargesheet should be handed over to the accused official with copies of the material documents. The formal enquiry should commence within a month from the date of handing over the charges and should be completed as speedily as possible.

237. The suggestions for the working of this Departmental Tribunal are given below :—

- (i) The enquiry body may co-opt an Assessor—one or more to assist it.
- (ii) The Assessor may be a departmental officer higher in rank in the department to the official charged.

Provided that where in the same transaction more than one delinquent official is involved the status of the Assessor shall be determined after consideration of the status or the highest delinquent official whose conduct is under enquiry.

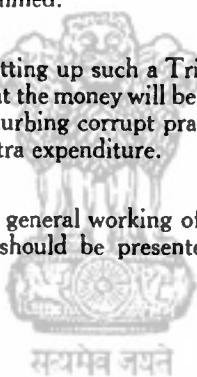
- (iii) While submitting its proceedings to the Railway Board, copy to the General Manager, the Departmental Tribunal, where satisfied that the punishments be imposed, will also formulate its recommendations about the punishment.

In addition, or as an alternative to the punishments prescribed under the rules, the Tribunal may also recommend compulsory retirement with or without proportionate pension, or contribution to the Provident Fund or with or without gratuity or compassionate allowance as it may deem fit.

- (iv) In the case of gazetted officers, it shall not be incumbent on the Government to consult the Union Public Service Commission on the Tribunal's recommendations. Suitable regulations under the proviso to Article 320(3) of the Constitution excepting such cases from the purview of the Union Public Service Commission for a few years till conditions become normal will have to be framed.
- (v) The Departmental Tribunal may sit at such places as it may determine and shall adopt such procedure as it may deem appropriate.
- (vi) In conducting such enquiries, the Tribunal shall be guided by rules of equity and natural justice and shall not be bound by formal rules relating to procedure and evidence.
- (vii) The General Manager shall give all reasonable facilities to this Tribunal for enquiry of cases.
- (viii) The possibility of excluding the cases enquired into by this Tribunal, from the operation of Articles 32, 136 and 226 of the Constitution may also be examined.

238. We appreciate that setting up such a Tribunal on each Railway will involve some expenditure, but we feel that the money will be well spent, as such an independent body will have a great effect in curbing corrupt practices. In the long run, it may be even economical to incur this extra expenditure.

239. A brief report on the general working of the Departmental Tribunals with an assessment of the situation should be presented to Parliament along with the Railway Budget Papers.



## CHAPTER XIII

## MISCELLANEOUS MATTERS

## A. PILFERAGE OF COAL

240. Pilferage of coal in transit takes place mainly from open wagons, whether containing public coal or loco coal. In this connection, the conclusions of the Railway Fuel Economy Enquiry Committee, which conducted a detailed enquiry into this matter and submitted its report in 1953, are valuable. According to them, the total loss of loco coal on all Railways, by pilferage in transit, is about one per cent of the Railway fuel bill, that is about Rs. 30 lakhs worth annually. According to the evidence before us, this estimate errs on the conservative side. The Railway Fuel Economy Enquiry Committee has prepared a design of an expanded metal cover for protecting open wagons. It would be advisable to give a trial to this device with a view to minimise pilferage losses in transit. These losses in transit are particularly high, especially when a transshipment point requiring break of gauge or a river port is involved. As mentioned earlier, the working of the transshipment points on general considerations needs a special watch. In addition to pilferage during transit, a good deal of pilferage takes place from the loco sheds after coal is received and stacked there. According to the Railway Fuel Economy Enquiry Committee, there are three main causes for these pilferages :—

- (1) Lack of proper accounting ;
- (2) Unsatisfactory stacking conditions ; and
- (3) Unreliable trip rations.

It is worth noting here that all these factors are entirely within the control of the Railway Administrations and can be remedied if pursued with drive and determination. We quote here relevant extract from the report of the Railway Fuel Economy Enquiry Committee, as it vividly illustrates the way the pilferage takes place :—

“Although it is difficult to specify the different ways in which the leakage of coal takes place, it can be broadly divided into :—

- (i) pilferage from stacks ; and
- (ii) illicit disposal from locomotive tenders.

From stacks, coal is often pilfered at night time. Pilferage takes place in several ways. For instance, some persons engaged on cinder picking and ash disposal work may get mixed up with the Railway shed staff and remove coal along with cinders and ashes. Members of the public may also be often involved in such acts. Coal can also be given away from the tenders by the engine crew to the public in return for monetary remuneration. Instances have come to notice where engine crew have received cash or kind from the public in bags attached to sticks which are picked up in the same manner as line clear tokens. In return, lump coal is dropped along the track. Coal can also be sold at fire cleaning and watering stations.”



According to the estimate of the Railway Fuel Economy Enquiry Committee, the pilferage losses from sheds are about another two per cent of the railway fuel bill. This too, we believe, is a conservative estimate. But even according to this, the total pilferage losses of loco coal are worth about Rs. 90 lakhs annually.

241. The casual manner in which public coal in charge of the Railways is sometimes treated will be seen from the following interesting instance given to us by an ex-Member of a State Legislative Council.

When a wagon of coal booked to him was received at destination, he found that instead of the invoiced weight of 22 tons, the wagon contained only 16 tons. Unlike other consignees, he created a lot of trouble about the shortage. Hence, to placate him and avoid further trouble, the station staff made good the shortage from the adjacent wagon booked to another consignee.

242. It was also reported to us that, in certain cases, some of the weighbridge clerks in the colliery areas, in collusion with colliery owners and merchants, from whom they receive monthly payments, record the tonnage of coal in the weighment certificate above the actual weight. This means illicit gain for the colliery owner, the merchant and the weighbridge clerk at the cost of the consumer, whether a private party or the Railway. Such malpractices can be checked only by surprise reweighments and drastic action against all parties responsible for these frauds.

243. In regard to pilferages, provision of the expanded metal cover, fencing of the stacking areas and their proper illumination, better Watch and Ward arrangements and strict supervision would, to a certain extent, minimise the evil.

#### B. THEFTS OF RAILWAY PROPERTY EXCLUDING COAL.

244. During the course of our tours, we received evidence to the effect that systematic thefts of Railway property were taking place quite often in collusion with the staff or by the staff themselves. To get some idea of the magnitude of such thefts, we asked the Railway administrations to furnish us data regarding the thefts detected during the last three financial years. The voluminous data that was received from the administrations surprised and shocked us. The total number of thefts of Railway property (excluding loco coal) on the Railways in 1953-54 was approximately 7489, the amount involved being Rs. 11,08,550. In 917 cases of thefts detected, 1044 culprits were caught and out of those culprits found, 398 were Railway employees. (These figures exclude the thefts that occurred in the Engineering, Operating, Signal and Tele-Communication and Stores Departments of the Central Railway, the figures for which were not made available in time). Theft of Railway property that came to light form only a small part of the total thefts that occur from day to day. That Railway property should continue to be stolen day in and day out, in spite of such an elaborate machinery of Watch and Ward, the Government Railway Police and the Anti-Corruption Department, is itself an indication that these departments are most ineffective in preventing crime on the Railways. The steps to be taken for purifying and strengthening these departments have already been discussed.

#### C. CINDER AND ASH CONTRACTS.

245. Coal is burnt in the fire boxes of engines. These boxes have to be periodically emptied to get rid of the ash and other residue for receiving more coal, or for cleansing purposes. The cleansing of the fire box is normally done at the ashpits specially provided in the loco sheds as well as traffic yards. When the ash pits get

filled up with ash and cinders dropped from the engine, they have to be removed and the ash pits cleaned. The droppings contain cinders and clinkers (mass of slag). The cinders have still some heat content and they can therefore be used as fuel for domestic purposes and for stationary boilers, pumps etc. Cinders of the size  $\frac{1}{2}$ " or more are picked up from the ash and supplied to the running rooms, Railway hospitals etc. and are also sold to Railway employees for domestic use. The work of cleaning the ash pit, picking up the cinders and the disposal of cinders and ash is generally given to contractors, and the system of giving contracts varies from Railway to Railway and also on the same Railway from Division to Division. There is a good deal of corruption in the disposal of cinders. The most common form is that the cinder contractor bribes the Railway staff who drop half burnt or even unburnt coal. Coal thus dropped is valuable and is misappropriated by the contractors. Evidence before us was to the effect that at a certain station there were coal merchants who purchased no coal whatsoever from collieries but carried on their trade on what they procured from cinder contractors. An ex-cinder contractor reported that his predecessor paid regularly Rs. 200 per month to the Loco Foreman for securing the co-operation of the latter in carrying on his work 'smoothly'. On most of the Railways, the system prevalent is that the disposal of cinders is left with the contractor who, after supplying the same in the service buildings like Railway Hospitals and running rooms and to the Railway employees as per fixed schedule, retains the balance to be disposed of to his best advantage. This gives considerable scope to contractors to bribe the running staff to drop half-burnt or unburnt coal.

246. In addition, a large number of unauthorised persons working as contractors' labourers move about in sheds and are often responsible for thefts of fittings etc., in collusion with the shed staff. Without strict supervision, it is difficult to keep a proper check over the movements of individuals not under the direct control of the Railways. We understand that, on the Central Railway, the work of coal handling, ash cleaning, cinder picking and engine cleaning at sheds and watering stations is normally undertaken departmentally except on two Divisions. The quantity of cinders to be picked at each of the loco sheds and watering stations is fixed after actual tests are conducted by the Fuel Inspectors. Loco Foremen of the loco sheds and the Supervisors in charge at the watering stations are also responsible to ensure that the staff regularly collect cinders to these quotas. This system of doing the work departmentally may be more expensive than giving the work to outside contractors. If, however, the surreptitious and unauthorised removal of coal and other material through the contractors' men is also taken into consideration, handling the work departmentally would appear on the whole to be better both from the point of view of efficiency and economy. We, therefore, suggest that the system of doing this work departmentally may be given a trial on other Railways also, and the results observed.

#### D. LICENSED PORTERS.

247. We received a number of complaints that the licensed porters at the stations are often extorting much higher amounts from the passengers than the scheduled charges. Though partly this may be due to the mischief of the licensed porters themselves, it is also due to the system of their exploitation by contractors and the station authorities. For handling of parcels etc., the contracts are given to contractors and sometimes to station masters who employ licensed porters for this work and, more often than not, the contractors or station masters do not pay their dues, with the result that they are often compelled to make good the loss by realising higher charges from poor and ignorant passengers, as also by indulging in systematic pilferages from parcels handled by them. It becomes difficult to detect such pilferages because quite often the Government Railway Police and the Watch & Ward share the profits. In May 1947,

on the recommendation of the Ministry of Labour, the Railway Ministry decided to decasualise licensed porters and a directive was issued to Railways to bring about the change as soon as practicable, by terminating existing contracts when these expired and introduce the system of direct licensing and control of porters. Unfortunately, this scheme of decasualisation of labour has not been pursued with sufficient vigour. We recommend that this should be introduced on all the Indian Railways without further delay.

248. It must, however, be noted that decasualisation of labour is no remedy for all the evils connected with the licensing of porters. The tendency for exploitation of licensed porters, whether under the control of the contractors or under the control of the Railways, must be curbed. During the course of our investigation, we received the following representations from the Railway Cooly Union of one of the important junction stations of the Railways :—

- (i) that the Station Master was collecting Re. 0-4-0 per rupee out of the income of the licensed porters daily;
- (ii) that the Station Master was giving them Re. 1-8-0 per day instead of Rs. 2-0-0 payable whenever any licensed porter was utilised for loading and unloading of cement and/or iron;
- (iii) that about 16 coolies were compelled to do the domestic work in Station Master's bungalow daily without any remuneration. (The domestic work included looking after the goats and buffaloes of the Station Master, cleaning household utensils, washing the floors and doing chowkidar's duties at night); and
- (iv) that the licensed porters had to pay for the fodder for the buffaloes of the Station Master.

Confidential enquiries made by the Special Police Establishment revealed that these complaints were genuine. What action, if any, was taken against the Station Master has not been intimated to us. Unless such exploitation is taken serious notice of, it would be difficult to create a suitable atmosphere for putting an end to the cheating of passengers by the porters and the pilferage of packages. Unfortunately, most suffering in this respect is borne by the poor and ignorant third class passengers from whom the Railways derive the bulk of their coaching earnings. Porters sometimes refuse to handle the luggage of the passenger unless he consents in advance to the payment of charges in excess of the scheduled rate.

249. We recommend that the scheduled portage charges should be clearly indicated in the local languages on the uniforms of the licensed porters and should also be prominently displayed on the station platforms. The posters giving the scheduled charges should also indicate the authority to be approached in case excessive charge is demanded.

250. Another point that came to our notice was that unlicensed porters also manage to get access to the incoming and outgoing trains and to carry the passengers' luggage. The lower Railway staff connive at this, as they often get a percentage of what such porters earn. It becomes impossible for the passengers to make an effective complaint if such unlicensed coolies quietly slip away with their luggage. They are also often responsible for committing pilferages and thefts. At certain big station specially Delhi, this problem of unlicensed porters has assumed an alarming magnitude.

Such unlicensed porters cannot gain access to the station premises unless this is connived at by the ticket checking and the Government Railway Police staff. We recommend greater vigilance and more surprise checks by the higher authorities to put a stop to this undesirable practice. Beggars are not interfered with because, we heard, they also pay a percentage of their earnings. Complaints of passengers about the beggar nuisance go unheeded. This has also been our own experience.

#### E. RAILWAY GRAINSHOPS.

251. The report of the Railway Grainshop Enquiry Committee, 1948, is a sad commentary on the management of the Railway grainshops. The various modes of corruption have been indicated in that report. As per recommendations of that Committee, the grainshop activities on the Railways were considerably reduced and, as a consequence, the direct losses on sales and indirect loss (cost of staff, freight and other overheads) were also correspondingly reduced. From the evidence that has come before us, we find that corrupt practices that had come to the notice of the Railway Grainshop Enquiry Committee still continue. These are :—issue of bogus or inflated ration cards, inferior quality of stuff supplied, giving commodities underweight etc. Now that the food position in the country is satisfactory and the prices falling, we are of the opinion that there is no justification for keeping Railway Grainshops and that they should be abolished as early as possible.

#### F. RAILWAY SERVICE COMMISSIONS.

252. Formerly the recruitment of class III staff on the Railways (such as office clerks, guards, commercial clerks, etc.) was done by the Railways themselves. Considerable amount of favouritism and nepotism existed at the time of such recruitment and therefore gradually the Railway Service Commissions were appointed for this work. As a result of the appointment of these Commissions, the cases of favouritism and nepotism have no doubt decreased; yet the development of these Commissions, in our opinion, has not been quite on satisfactory lines.

253. Corrupt practices are indulged in by the staff of the Railway Service Commissions and we had an instance of one 'Progressman' in the Mechanical Department of a Railway, who took bribes from prospective candidates in collaboration with a senior clerk in the office of the Railway Service Commission. This Progressman was trapped and the case is under trial. We interviewed two Chairmen of the Railway Service Commissions and both of them were frank enough to admit that they did receive complaints, though often anonymous, about the clerical staff of the Commissions taking bribes from prospective candidates. The establishments of the Railway Service Commissions will therefore have to be carefully selected and strict supervision maintained by the Chairman and Members of the Commission with a view to eliminate such practices. In addition, both the Chairmen stated that they often received requests, both written and verbal from high quarters, recommending cases of particular candidates for appointment in the Railways. While one Chairman stated that he attached no importance whatsoever to such requests, the other Chairman stated that he did attach some importance to such requests provided he felt that the requests were on administrative grounds and not on personal grounds. We are strongly of the opinion that such requests for appointment of particular candidates should be considered a disqualification and all the prospective candidates made to feel that their selection will depend on merit and suitability.

254. There are, we believe, certain anomalies in the mode of recruitment of the candidates and we were told that a certain percentage has been laid down by the Railway Ministry regarding the qualifications for recruitment to certain categories.

Thus, for instance, it is laid down that 75 per cent. of the candidates called for interview should be only matriculates and 25 per cent. only with higher qualifications for certain categories of jobs. This does cause some heart-burning, particularly when a highly qualified man knows that a less qualified man has been selected. The fee charged for application form is rightly low. But, due to this, it is not possible to call all the eligible candidates for the examination, with the result that only a very small percentage of the eligible candidates is actually called. The method adopted for selecting the candidates for interview appears to be arbitrary. This also causes a certain amount of discontent. Also, the results of the examinations held by the Commissions are not published and there is considerable time-lag in issuing the appointment letters after the selections are finalised. We understand that a committee has been appointed to examine all aspects of recruitment to government services. We hope that this committee will go into this question of procedure. This committee may keep in view the following points, which have been brought to our notice :—

- (i) fixing suitable age limits and educational qualifications of prospective candidates;
- (ii) fixing suitable fees so that it would be possible for the Commissions to hold proper examinations for all the eligible candidates;
- (iii) Recruitments on the Railways on a regional basis;
- (iv) Evolving of proper tests which will also take into consideration the aptitude of the candidates;
- (v) A proper mode of conducting the examinations impartially;
- (vi) Prompt publication of the results after the selections are finalised; and
- (vii) Prompt issue of the appointment letters after the publications of the results.

255. The Railway Board may also bring out a small brochure describing different types of jobs offered by the Railways, brief nature of jobs, future prospects, emoluments and age and educational qualifications required. If authentic information is made available to the would-be candidates, it will assist them in deciding their course of action.

256. We consider this however only an interim measure to be adopted by the Railway Ministry. Eventually we feel that the most satisfactory solution would be for the Government to maintain close co-ordination with the different educational institutions and universities so that suitable candidates are suggested by them for different types of jobs that the Government is in a position to offer to the younger generation. As in some other countries, the number of students admitted for technical training in any branch should have some relation to the number of jobs available in that branch, to avoid unemployment and frustration. This, however, is a problem to be tackled by the Education Department and the Planning Commission.

#### G. LIGHT RAILWAYS.

257. For want of time, we were not able to tour any points on the Company managed Light Railways. However, from the number of complaints that were

received by us, when we were touring near about the areas served by these Railways, we found that their standard was very much lower than that of the nationalised Railways in respect of :—

- (a) Passenger amenities;
- (b) Working conditions of Railway employees; and
- (c) Prevalence of irregular practices including bribery and corruption.

Efforts should be made to raise the standards of performance of these Railways and bring them at least in line with conditions prevailing on Government Railways. The process of nationalising these Railways should be expedited.

#### H. STORES DEPARTMENTS ON RAILWAYS.

258. The Railway Stores Enquiry Committee was appointed only about five years back under the chairmanship of Shri A. D. Shroff. This Committee submitted its report in April, 1951. In March, 1953, the Government of India set up the Stores Purchase Committee to examine and report on the working of the Central Purchase Organisation from various aspects. As the terms of reference of this Committee were very wide and covered practically the entire field in respect of stores purchases of all Government Departments, we decided not to include the Stores Departments of the Railways within our purview. During the course of our enquiry, however, we received a number of complaints against this department also. We are, therefore, making here a passing reference to it.

259. The Railway Stores Enquiry Committee brought to light many unsatisfactory features of the working of the Stores Departments of the Railways. Some of these were :—

- (i) The supplies of stores were sometimes of a very inferior quality and the inspection of supplies was either non-existent or highly negligent.
- (ii) The Stores balances of Railways had been abnormally high and had been the subject of adverse comment by the Public Accounts Committee. The period represented by stocks on hand, based on consumption figures in certain cases, ranged from seven years to 867 years. The Railway Stores Enquiry Committee felt that large scale direct purchases that the Railways had resorted to during the previous two years (prior to the submission of their report), under plea of emergency, may not always have covered judicious purchases.

We might, however, point out here that the tendency to make excessive purchases on the part of the Railways has been due to abnormal delays in meeting their requirements by the Ministry of Works, Housing and Supply. This defect, we are confident, will be remedied when the recommendations of the Stores Purchase Committee are implemented.

- (iii) Ordinary standard of 'Neat house keeping' which would be expected in a normal Stores Depot was not being observed.

In this connection, during the course of our tours, one Controller of Stores informed us that, out of different depots under him, only one was

specifically and properly planned and arranged; but regarding the other depots, the accommodation that was made available in the various workshops had to be utilised as best as possible. His considered opinion was that such arrangements could not be considered as 100 per cent. safe or secure.

- (iv) The Railway Stores Enquiry Committee made a very serious endeavour to arrive even at an approximate estimates of the total quantity of stocks of stores of different types held at any given time on any one Railway. With the chaotic condition of records, that endeavour proved futile. They were convinced that, if a proper and thorough stock taking was undertaken, it would reveal alarming figures running into many crores of rupees. According to them a large part of such stores was being "lost sight of".

We would only add that such a state of affairs facilitates thefts and pilferages from the stores depots which we were informed have been taking place systematically.

- (v) The Railway Stores Enquiry Committee rightly felt that there was considerable scope for leakages because of the very unsatisfactory stores keeping at several depots, very extensive direct purchases made by Controllers of Stores under the emergency powers of the General Managers, the enormous and incredible quantities of stocks of certain items of stores unavoidably resulting in serious deterioration and obsolescence with the artificially created necessity of forced disposal.

260. The important one amongst the possible modes of corruption in the Stores Department are given below :—

- (i) Tenders may be submitted after coming to know the rates offered by other tenderers. We were told that the rule that tender should be kept secret and should not be communicated to rival firms is sometimes not observed. In order to minimise the chances of corruption arising out of this practice, we suggest that the following recommendation of the Stores Purchase Committee should be put into effect immediately on the Railways also :

"Late tenders, *i. e.*, those received after the specified time of opening, should not be considered.

Delayed tenders, *i. e.*, those received before the time of opening, but after the due date and time for receipt of tenders, may be considered in exceptional circumstances only."

- (ii) Tenders may be issued to certain firms excluding other firms from quoting and competing. This may also be managed by inviting tenders from favourite firms along with other firms known to be unable to supply the materials. This may be remedied by observing proper procedure at the registration stage, separately classifying some firms of good standing for each class of materials.
- (iii) Tenders of certain favourite parties are sometimes accepted even though they may not be the lowest. While it may not be possible to avoid this altogether, stricter observance of the rule that specific reasons

should be recorded when the lowest tender is not accepted and a provision that in such cases the sanction of the next higher authority should be obtained will reduce the incidence of malpractices.

- (iv) There is laxity in inspection of materials purchased, mainly due to collusion. This can be remedied to some extent by insisting that materials approved after inspection must be subjected to random check by higher authorities. Inspectors should also be shifted periodically from one place to another and the stores they have to deal with should also be changed as far as possible. Representatives of the consuming departments should be associated at the time of inspections to a greater degree than now. At present it is a frequent complaint of the consuming departments that the material supplied is often very inferior. This is often discovered when the material is distributed for use or only after it is begun to be used, with the result that no rejection is possible, as the suppliers would have already received payments.
- (v) To avoid complaints of unfair rejections, it should also be provided that, when supplies are rejected, the reasons for rejection, that is which particular aspect of the specification is not complied with, should be recorded and conveyed to the contractor.
- (vi) Receipts are sometimes given for larger quantities than actually supplied. It is also possible that, when fresh purchases are made, the material does not actually come to the Stores Depot but receipts are issued and material already in the stores shown as newly purchased. This can be controlled by stricter physical verification of stock both at the time of purchase as well as at suitable intervals.
- (vii) Sometimes leakages occur in the Stores Department or in the consuming department or by collusion between both. In the last case, the consuming department may pass requisitions showing that materials have been received by them from Stores, whereas actually no transaction has taken place. This and pilferage from the consuming department are more serious as materials once issued to the consuming department are not subject to such strict accounting control as in the Stores Department. Some control can be exercised on the utilisation of material issued to the consuming department as under :—
  - (a) *Materials issued for repairs and maintenance.*—(1) Consumable stores: Periodical review should be made of consumption in relation to performance. Any substantial variation in this should be taken as indicative of malpractices or carelessness or both.
    - (2) Non-consumable stores : Materials returned as unserviceable should be tallied with fresh issues within reasonable limits.
  - (b) *Materials issued for Capital works.*—In the case of capital works, the items which can be counted by numbers should be checked by counting and compared with issues. Where the material can be measured only by weight and cannot be weighed after having been used up, it can be checked with some accuracy by getting it assessed. Where such material used on the work is a mixture of more than one item sampling should be made to ensure that materials have been mixed in correct proportion.



To deal with the leakages in the stores department, i. e. from Stores Depots etc., we will have to rely on stricter verification of stock as suggested in item (vi) above and on the efficiency of the Railway Security Force.

261. We came across a distressing case where axle boxes, which are normally manufactured in the Railway workshop at Jamalpur at a cost of Rs. 200 to Rs. 300 each, were imported from Italy at rates ranging from Rs. 1,275 to Rs. 1,850.

262. An example of the defective nature of the system adopted will be seen in the purchase of mirrors. The mirrors are inscribed with the name of the Railway, so that thefts could be detected. But this inscription is done by the suppliers before the mirrors are submitted to the stores department for approval. The rejected ones find their way in the market with the initials of the Railway. When mirrors belonging to the Railway are stolen and the case goes to the court, the accused successfully defends himself by saying that he had purchased rejected material in the market.

263. Before leaving this subject, we would like to make the following suggestions :

- (i) There should be independent spot checks on all transactions of the Stores Department by Audit.
- (ii) Grievances of contractors as well as other having dealings with the Stores Departments should be redressed promptly at sufficiently high level.
- (iii) Usually stores in the depots are in charge of the Ward Keepers. The Indian Railway Code of the Stores Department envisages a security deposit being obtained from the Ward Keepers; but this is not being done. We suggest that this rule should be enforced.

#### CONCLUSION.

264. The evidence before us consists of replies to the questionnaires issued, the oral evidence collected during our tours, replies to a number of communications from us addressed to the Railway administrations and to the officials of the Special Police Establishment as well as a large number of letters and representations received from various individuals. In quite a large number of cases, the parties—both Railway officials as well as non-officials—who have furnished valuable information in regard to the prevailing modes of corruption and other irregularities have done so with a request that their names should not be revealed and that the particulars furnished (verbally or in writing) were only for the information of the Committee to enable them to come to right conclusions. We hope that this anonymity will be respected and nobody victimised. We have carefully shifted all this evidence and arrived at our conclusions.

265. We have come to the end of our labours. The enquiry into Railway corruption has made us sad. We knew that there was a good deal of corruption in Government Departments including the Railways, but the wide extent of corruption prevalent and the ingenious methods adopted by the Railway staff to extract illegal gratification have shocked us. This, however, does not mean that all Railwaymen are corrupt. Many are honest and conscientious. Yet unfortunately a good many of them are not so. The misfortune is that those who are honest have little influence over those who are not and on the administration as a whole. Even when high officials are themselves scrupulously honest, they feel, and some of them have admitted, that they are helpless in the matter of eradicating corruption from among the rank and file.

266. We are not unaware of the good work done by the Railwaymen during partition and post-partition days. They put forth their best when the country was faced with the serious problem of transferring millions of refugees from Pakistan to India and from one part of the country to another. Those were days of grave confusion and anxiety. The spirit of service and administrative efficiency displayed then will stand out as a testimony to the zeal of the Railway employees in an emergency. This was done at a time when the damage done by wear and tear to the Railways due to the war had not yet been repaired. Added to this was the great shortage in technical personnel caused by the partition. This shows that our people can, on occasions, rise to a high level of performance. But unfortunately, such devotion to duty is neither normal nor sustained.

267. One thing encouraging, however, was that many Railway employees, specially in the lower cadre, came forward to give evidence and also to suggest remedial measures even at the risks of incurring the displeasure of their colleagues or their superiors. This anxiety to improve conditions needs to be encouraged and, if things are to improve, we feel that lead and direction must come from the top. The public can only look to the senior officials to set an example of high integrity and undivided devotion to duty and give proper guidance to the large number of Railway employees working under them. After all, eradication of corruption is not so much a question of rules and regulations or of knowledge or information about its existence, which high officials who run the machine must have in a greater degree than a temporary enquiry committee. It is fundamentally a question of executive vigilance, impartial functioning and prompt disciplinary action being taken where require. We feel certain that, if the leadership in public life and in the administration creates the necessary atmosphere of enthusiasm for honest and devoted public service in the cause of the social, economic, political, moral and cultural reconstruction of the nation, the rank and file in the administration and even the public will not fail them but will give a ready response. An American writer on personnel management truly said :—

“You can buy a man's time. You can buy a man's physical presence at a given place. You can even buy a measured number of skilled muscular motions per hour or day. But you cannot buy enthusiasm; you cannot buy initiative; you cannot buy loyalty, you cannot buy the devotion of hearts, minds and souls. *You have to earn these things.*”

We have no doubt, if the correct ideals and standard of conduct are kept before the subordinate staff and if they are given the correct lead and direction, our Railwaymen will make the proper response and put forth a determined effort to eradicate corruption from among their ranks. Corruption today is not only tarnishing the fair name of our administration but also tempts people to have a fling at our national character. Our recommendations are made in the hope that Railwaymen, big and small, will realise the urgent need for the reconstruction of the country without which even political freedom has little meaning or significance. In the task of this reconstruction, our Railways have to play a great and ever increasing part.

268. If we have said any harsh words about any class of employees or any sections of our people, we have done so in no spirit of anger or antipathy. We have only tried, as faithfully and as impartially as is possible for any body of persons of goodwill, to present the true picture as it has emerged out of the evidence before us and suggested what appeared to us as appropriate remedies.

## CHAPTER XIV

### SUMMARY OF RECOMMENDATIONS

#### CHAPTER II.—PROBLEM OF CORRUPTION IN ITS SETTING.

1. A concentrated drive should be made and sustained for a long period for removal of corruption.

(Paragraph 24).

2. When there is suspicion about an officer's integrity, his actions, his financial position and the financial position of such of his relatives and close friends as seem to be enjoying a luxurious life should be investigated. He should not in any case be kept in any position of responsibility or influence.

(Paragraph 25).

3. Officials holding responsible positions should ensure that the public have absolute confidence in their disinterestedness and impartiality.

(Paragraph 26).

#### CHAPTER III.—BOOKING OF GOODS AND PARCELS TRAFFIC.

4. There should be a steady drive for improving wagon position.

(Paragraph 32).

5. Ambiguities in the classification of goods should be eliminated.

(Paragraph 55).

6. Procedure for the booking of goods should be made more uniform on all Railways. A chapter should be added in the Goods Tariff laying down a clear procedure for indent, allotment and supply of wagons.

(Paragraph 56).

7. Allotment of wagons on Divisions and/or Districts should be done by an Allotment Officer in the Junior Scale. If the volume of work justified it, an additional post of Allotment Officer may be created on a temporary basis till free booking is introduced.

(Paragraph 56).

8. Information about the quotas in force, the current restrictions and the day-to-day allotment orders should be exhibited on the notice boards and should also be supplied to local Chambers of Commerce or other mercantile associations. Where no such association exists, the higher officials should try to help the merchants to organise it.

(Paragraph 57).

9. Enforcement of orders about giving wide publicity to restrictions, quotas, etc., should form an important part of the duties of the District and Divisional Officers.

(Paragraph 57).

10. Railway Receipts should be issued on the day the consignments are accepted for booking.

(Paragraph 58).

11. When a wagon loaded with perishable or livestock is declared "sick" the TXR staff should immediately contact the Head TXR who should immediately inspect the wagon and satisfy himself about its being "sick". He should be personally responsible to get it repaired expeditiously. If it is beyond immediate repair, he should personally contact the Station Master or the Station Superintendent who should be responsible for its transshipment within a few hours. In such cases the Head TXR and the Station Master or the Station Superintendent concerned should submit a report within 24 hours to the Divisional/District Officer who should scrutinise such reports carefully, keep watch and arrange surprise check on stations where such wagons are frequently declared sick. A register should also be maintained in the District or Divisional Offices for recording particulars of wagons declared sick. If a wagon is falsely declared sick, the staff responsible should be severely dealt with.

(Paragraph 59).

12. There should be advance planning and adequate arrangements for clearance of seasonal perishable traffic. Wherever any difficulty is anticipated, an officer should be appointed on special duty to maintain a constant watch and regulate movements.

(Paragraph 60).

13. The bottlenecks at the transshipment points should be eliminated by increasing the transshipment capacity. In the meantime, intensive high level supervision must be ensured. A register should be kept at each transshipment points wherein the date and time of placement of each wagon for transshipment should be entered. The register should be open to inspection by the merchants. It should be carefully scrutinised periodically by the supervising officials to ensure that the wagons are transhipped in the order of their arrival. Failure in this respect should be viewed with suspicion and if proper explanation is not forthcoming for changing the order, drastic action should be taken against the staff concerned.

(Paragraph 61).

14. Brokers who transact business at stations be licensed by the Railways. The licence should be renewable every year. While applying for licence, the brokers should indicate the rates of brokerage they would realise from the merchants. Local merchants should be consulted regarding the rates allowed.

(Paragraph 62).

15. A systematic review should be made of goods shed facilities available at each important goods booking station and steps taken to augment these facilities by increasing accommodation, by providing better lighting, waiting accommodation for the public, additional telephones, better ventilation, better approach roads, adequate stacking space for the goods shed records etc. The quantum of work of the commercial staff should be reviewed periodically and their strength augmented wherever necessary. A definite amount should be allocated each year for each Railway in the Second Five Year Plan for improving goods shed facilities.

(Paragraph 63).

16. Every station where the average number of forwarding notes for full wagon loads exceed ten per day or twenty in the case of smalls, should have a punching machine for punching the serial number, date and month of the year on the forwarding note. The serial number should commence from No. 1 from the 1st of each month. The party concerned should punch the forwarding note in the machine before tendering it to the Goods Clerk. The registration of such notes should be made in the strict punched serial order.

At stations where a forwarding notes is accepted only after the goods have been received, punching should be done only after the full consignment has been brought to the station, failing which the Goods Clerk will give a refusal memo recording the reason and retain the forwarding note with him on which the same reason will be noted and acknowledged by the party.

The Chief Goods Clerk or a higher official will, at the end of each day, certify in a book maintained for the purpose the last serial number punched. He will then be personally responsible for locking up the machine and re-opening it the next day.

(Paragraph 64).

17. In the case of 'paid' consignments, the registration fees should be adjusted against the freight due to be recovered.

(Paragraph 65).

18. Entry into marshalling yards and goods sheds should be suitably regulated by issue of identity cards or otherwise to eliminate unauthorised entry.

(Paragraph 66).

#### CHAPTER IV.—BOOKING OF PASSENGERS AND LUGGAGE.

19. Monthly suburban tickets should have a photograph and signature of the owner of the ticket to facilitate check and avoid misuse.

(Paragraph 69).

20. A reasonable limit should be fixed to the luggage allowed with the passengers in the compartment and the balance should be put in the brake van.

(Paragraph 70).

21. The members of the National Railway Users' Consultative Council, authorised to conduct surprise checks through the Ticket checking staff, should make one surprise check each at least every three months and submit brief reports to the Council for scrutinising and suggesting further measures.

(Paragraph 73).

22. Ticket checking on trains must be enforced as a regular measure so that no traveller normally goes unchecked, the minimum checks being (i) at the entraining station ; (ii) at the detraining station and (iii) enroute, in long journeys at every junction.

(Paragraph 73).

23. Surprise checks should be kept strictly secret and the plans therefore should be made and supervised at high levels. The out of course stoppage of a through train for a concentrated check would be useful.

(Paragraph 73).

24. There should be a certain number of ticket checking staff in plain clothes with proper letters of authority to make surprise checks to catch ticketless passengers.

(Paragraph 73).

25. Booking facilities at stations should be reviewed from time to time and increased where necessary.

(Paragraph 73).

26. All station entrance and exists should be controlled properly and proper fencing provided.

(Paragraph 73).

27. The strength of Ticket Collectors should be increased at rush periods.

(Paragraph 73).

28. The stoppages of passenger trains outside signals should be avoided as far as possible.

(Paragraph 73).

29. Cases of ticketless travelling by responsible officials and students should be reported to the higher authorities who should take prompt and drastic action.

(Paragraph 73).

30. Ticket checking staff, who at personal risk, face intimidation and help in checking organised ticketless travel should be rewarded. Police protection should also be afforded to such ticket checking staff where trouble is apprehended.

(Paragraph 73).

31. No leniency should be shown in proved cases of harassment of poor and illiterate villagers by the Railway staff. Removal from service is the only suitable punishment in such cases.

(Paragraph 74).

32. Higher authorities should pay special attention to cases of molestation by the Railway staff of lady passengers.

(Paragraph 74).

#### CHAPTER V.—CATERING AND VENDING.

33. System of giving refreshment and vending contracts to big contractors should be abolished.

(Paragraph 78).

34. The practice of station staff having free supplies of tea and refreshments from the vending and catering contractors should be put a stop to, by proper supervision and by taking disciplinary action against staff guilty of it.

(Paragraph 78).

35. The licence fees from the vending contractors should be taken in advance and outstanding arrears due from them cleared up without delay.

(Paragraph 78).

36. Clause about subletting must be strictly enforced. System of absentee middlemen having some influence in high quarters making profit by merely investing a little capital must be abolished.

(Paragraph 79).

37. Refreshments and meals on trains should be provided at popular prices by the department. Departmental catering should provide a wide range of food and

snacks. Aim should be to run the catering establishment on "no profit no loss" basis in the long run. To start with, if the departmental catering suffers any loss, it may be considered as spent on advertisement and partly put to the account of "Passenger Amenities".

(Paragraph 82).

38. Constant vigilance will be necessary to check corrupt practices in Departmental Catering.

(Paragraph 83).

39. Healthy competition between departmental catering establishments, local catering contractors, and contracts run on the Co-operative basis will act as a "spur" to attain and maintain high standard of efficient service.

(Paragraph 83).

40. Publicmen and high officials should refrain from giving certificates to the catering contractors.

(Paragraph 84).

41. The undermentioned further steps should be taken :—

- (i) Wherever feasible, co-operative societies of vendors should be given permit to vend edibles and snacks at certain stations. Initial failure in this should not deter the administrations in encouraging co-operatives.
- (ii) Experiment of entrusting catering arrangements to social bodies should be tried on a wider scale.
- (iii) European style catering should be maintained at important stations e.g., Bombay, Calcutta Delhi etc.
- (iv) Bread, butter and boiled vegetables should be available in the non-vegetarian refreshment rooms.
- (v) Rates for the European style catering appear to be high and should be revised.
- (vi) Rates of different types of catering should be subjected to periodical review.
- (vii) Members of the local consultative committees should be authorised to exercise surprise check on the food served and report to their committees.
- (viii) Wherever possible departmental catering should be introduced.
- (ix) Big contracts should be broken up.
- (x) The Railway Administrations should undertake a detailed study of the patterns of consumption of different classes of Railway Users to have an idea of the possible demand and to establish different agencies of catering where the demand is sufficient.
- (xi) While awarding contracts, members of the Consultative Committees should also be consulted.

(Paragraph 86).

## CHAPTER VI.—ENGINEERING CONTRACTS.

42. There should be a Board of Arbitrators consisting of 3 officials of appropriate level one each from the Engineering and Accounts branches and one from any other branch of the Railway to decide the disputes, arising out of engineering contracts.

(Paragraph 102).

43. Drastic action should be taken against staff involved in theft of Railway property.

(Paragraph 104).

44. Recruitment of casual labour and temporary staff should be kept to the minimum. The organisation in regard to maintenance of permanent way should be so improved that percentage of temporary gang labour to permanent gang labour does not normally exceed a figure to be determined by the Railway Board.

(Paragraph 107).

45. A checking squad consisting of three persons one of whom should be an Engineer preferably from outside Railway service should be formed at the Headquarters of each Railway:—

(i) They should periodically go round the various Divisions/Districts to check measurements, classifications, leads, specifications, etc. and submit their report to the Chief Engineer direct. They should also conduct a check on the site of work if so requested by the Anti-Corruption Officer of the Railway.

(ii) They should keep a watch on the rates offered on different Divisions and Districts and make periodical comparative analysis of these.

The posts in the squad may initially be created for one year but extended further if found useful.

(Paragraph 111).

## CHAPTER VII.—COMPENSATION CLAIMS ON INDIAN RAILWAYS.

46. A post of Claims Prevention Officer in the Senior Scale should be created on each Railway.

(Paragraph 123).

47. In cases involving large amounts of claims, the services of the Government Pleaders of the States concerned may be utilised both for tendering of legal opinion as well as for the conduct of litigation.

(Paragraph 128).

48. The Railway and Home Ministries should take special steps for early implementation of Shri A. A. Brown's and Shri B. N. Mullick's recommendations.

(Paragraph 137).

49. For settlement of claims, there should be a time limit of 3 months for a claim relating to local traffic and 6 months for a claim relating to traffic moving on more than one Railway.

(Paragraph 140).



50. At stations where large claims usually arise, when the assessment of damages made by the Railway officials is not acceptable to the consignee, suitable machinery for arbitration should be evolved.

(Paragraph 141).

51. Responsibility of the Railways for the goods handed over to them for carriage should partly be that of an insurer, at least in the case of goods accepted at Railway Risk, after a time interval to be prescribed.

(Paragraph 142).

52. The suggestions about linking up the freight structure with transit time of goods (i.e., the Railway paying a penalty for each day of delay beyond a certain period prescribed for delivery of goods, the introduction of express delivery service between certain points, etc.) may be referred to the Committee on Freight Structure for detailed examination.

(Paragraph 143).

#### CHAPTER VIII.—PUBLIC COMPLAINTS AND GENERAL EFFICIENCY.

53. The following measures should be adopted uniformly on all Railways to improve complaints sections :

- (i) Complaint books should be provided at all stations, in the Refreshment Rooms, Dining Cars and important Goods Sheds. Complainants should have easy access to them without asking for them from a Railway employee. Complaint books should be available with Conductor Guards of Passenger trains as also in the Divisional/District/Regional offices and the offices of the Chief Operating Superintendent, Chief Commercial Superintendent and the General Manager.
- (ii) Complaint books at stations, in refreshment rooms and in goods sheds should be scrutinised daily by the Station Master who should send a copy of the complaint to the higher authorities with his remarks within 24 hours. The Divisional/District Headquarters should acknowledge the complaint within 3 days. In the case of complaint recorded in the Dining Car, a copy thereof should be sent by the Manager within 48 hours to the Divisional or District Commercial Officer who should acknowledge it within 3 days. The Complaint books in the Divisional/District/Regional and Headquarters Offices should be scrutinised daily by a gazetted officer nominated for this purpose and he should acknowledge the complaints within 48 hours.
- (iii) Complaints should be dealt with at a level not lower than that of a District or Divisional Officer. In the case of complaints recorded in the Divisional/District/Regional or Headquarters Office, a copy thereof should be forwarded to the District Officer concerned for investigation and report, and the final reply issued by the officer in whose office the complaint was recorded.
- (iv) No Complaint Inspector need be attached to the Regional or Headquarters Offices. One Complaints Inspector, however, should normally be provided on each Division and District. Complaints of a

trivial nature received from the stations may be disposed of straightaway, if sufficient material is available for their disposal. In complaints of serious nature, the officer concerned may ask the Complaints Inspector to investigate and report indicating whether the report may be submitted.—

- (a) after check of records,
- (b) after taking evidence of the Railway staff concerned, or
- (c) after arranging a confronted enquiry.

In the case of (b) an intimation may be given to the complainant so that he may attend the enquiry if he so desires. In the case of (c), at least ten days' notice should be given to him to be present at the time of enquiry and his acknowledgment obtained as far as possible. In the case of a serious complaint, enquiry should be made by an Assistant Officer or by the Divisional/District Officer himself.

- (v) The Divisional Superintendent or the Regional Officer should scrutinise at least 5 per cent. of the complaints every month.
- (vi) Average time taken for finalising the disposal of complaints should not exceed :
  - (1) 15 days for complaint cases in which confronted enquiries are not held.
  - (2) 45 days for complaint cases in which confronted enquiries are held.

In no case should the final reply to a complaint be delayed over three months. If this limit is exceeded, the dealing officer should be required to submit a detailed report to the General Manager who should satisfy himself that the delay was unavoidable. In case of laxity the dealing officer should be taken to task.

- (vii) The Complaints Inspectors should be persons of tact, honesty and integrity and should be selected from the Commercial and Traffic Inspectors. Their grades should be uniform on all Railways and should be sufficiently high.
- (viii) Complaints regarding bribery, corruption, and fraud should, after acknowledging, be sent to the Anti-Corruption Officer concerned by name for investigation and report.
- (ix) Each Divisional or District Office should maintain a register to enter therein station-wise the particulars of all the complaints received from each station under them as also the final action and the time taken in the disposal thereof. Similar register should also be kept for complaints received in Regional and Zonal Headquarters. If the complaint is found to be incorrect, brief reasons therefor, may be politely given in the final reply to the complainant. If, however, the complaint is correct, the action taken to avoid recurrence of the complaint as also the disciplinary action against the staff should be stated. A copy of the final reply or a separate advice may be sent to the official who initially forwarded the complaint so that a brief summary thereof may be entered against the 'action taken' column in the Complaints Book.

- (x) The complaints books at the stations should be produced before the local Consultative Committees at the time of their periodical meetings for inspection.
- (xi) A suitable para should be inserted prominently in the current time-table of each Railway indicating where the complaints books are kept and the proper authorities to be approached. (Current time-table and guide books should be attractively printed in bolder type).
- (xii) A Railway employee against whom a complaint is made should never be entrusted with the task of investigating into the complaint. Such investigations should be made by an authority higher than the Railway employee concerned.

(Paragraph 148).

#### CHAPTER IX.—INTERNAL WORKING OF THE RAILWAYS.

54. Recruitment of Class IV staff should be done only through Recruitment Boards with some officers belonging to departments other than those for which recruitment is made. Criteria for selection should be laid down and adhered to.

(Paragraph 154).

55. The Chairmen of the Railway Service Commissions should not, as far as possible, be retired government officials.

(Paragraph 154).

56. The question of honesty and integrity of the candidates should be given greater emphasis while considering them for promotion from Class III to Class II.

(Paragraph 154).

57. The officers in charge of the Area Schools should be men whose honesty and integrity are beyond reproach. Training in character building laying emphasis on courtesy, honesty, straightforwardness and their responsibility as citizens of a free and democratic country should form a part of the training of class III staff in Area Schools. Provisions for greater facilities for initial training and refresher courses for class III and IV staff is essential on a programmed basis. In addition to the normal course of training given to probationary officers, lectures should be given by the Heads of Departments and General Managers on the duties and responsibilities of the officers to keep the administration clean. Publicmen working in the political and social fields should also be periodically invited to impress on the trainees the importance of honesty and integrity in discharge of their duties.

(Paragraph 155).

58. There should be no delay in the fixation of pay of the staff or settlement of their dues after retirement. The officer should be made to realise that frequent and repeated complaints about such delays cast a reflection on them also.

(Paragraph 156).

59. Personnel Officers should be more accessible to the staff.

(Paragraph 156).

60. Period of availability of privilege passes to Railway employees should be limited to the period of leave.

(Paragraph 156).

61. Misuse of Railway passes and P. T. Os. and the claims of false T. As. by the Railway staff should be checked by proper supervision.

(Paragraph 156):

62. Selection for higher posts should be made as under :—

(i) Selection for posts above Rs. 300 should be made by written and oral test, and

(ii) Greater weightage should be given to the qualities of honesty and integrity than hitherto. Complaints against an employee over a long period should be viewed adversely.

(Paragraph 157).

63. Railway employees should be encouraged by higher officers to come forward with their complaints of corruption against the Railway Doctors and such complaints should be carefully investigated. In proved cases, the Medical Council should be approached to disqualify doctors from practice on grounds of unprofessional conduct.

(Paragraph 158).

64. Railway Doctors should be debarred from private practice and their emoluments suitably increased.

(Paragraph 158).

65. Removal of Railway material from the Railway workshops for private use by the employees should be viewed seriously. Greater supervision, proper accountal and stock verification will minimise such irregularities.

(Paragraph 159).

66. Complaints regarding misuse of Railway labour by Officers and staff should be properly investigated.

(Paragraph 160).

#### CHAPTER X.—WORKING OF THE SPECIAL POLICE ESTABLISHMENT AND THE ANTI-CORRUPTION ORGANISATIONS ON THE RAILWAYS.

67. There is considerable scope for improvement both in regard to the time taken by the Special Police Establishment to finalise a case and the percentage of cases in which conviction is secured.

(Paragraph 178).

68. The suggestion that two auditors should be attached to Superintendent of Police, Special Police Establishment, to detect cases of defalcation on the Railways should be tried as an experimental measure with one Superintendent of Police, Special Establishment for one year and then extended to others if good results are achieved.

(Paragraph 179).

69. Periodical meetings of officers of the Special Police Establishment and the Anti-corruption Organisations of Railways with same jurisdiction should be held for greater co-ordination.

(Paragraph 180)-

70. Whenever the special Police Establishment consults a General Manager for instituting an enquiry against a gazetted officer, the latter should, as a rule, agree to preliminary investigation being started. If a General Manager decides, in a particular case, to hold a departmental enquiry before agreeing to the investigation by the Special Police Establishment, a representative of the latter should be allowed to be present during such enquiry. Where there is a difference of opinion about the special Police Establishment even undertaking the preliminary investigation, the Inspector General, Special Police Establishment, may refer the matter to the Railway Ministry. However, the gravity of the offence and not the status of the officer should be a deciding factor in such cases.

(Paragraph 180).

71. Time taken in giving sanction for prosecution of an official by the special Police Establishment should not normally exceed two months.

(Paragraph 180).

72. In cases originally investigated by the Special Police Establishment and later on referred to the Railway Administration for departmental action, the investigating officer of the former should be invited to give evidence as a witness.

(Paragraph 180).

73. Names of informers and Railway servants who help the special Police Establishment in investigation should be kept confidential to avoid possibility of victimisation. Complaints of victimisation should be promptly looked into by an officer of not less than administrative rank.

(Paragraph 180).

74. Requests from the Special Police Establishment for transfer of accused Railway servants should be promptly agreed to. In cases where it is not possible to do so, a report should be submitted to the Railway Board giving reasons.

(Paragraph 180).

75. Wide publicity should be given to the Anti-Corruption Organisation (indicating the designation and address of the Officer-in-charge) through the Railway gazettes and public time-tables pointing out that complaints regarding bribery and corruption should be made to the Officer-in-charge direct. Such complaints should be treated as confidential if so desired and enquired into by the Anti-Corruption Organisation itself. The complainant should be asked if he is prepared for confronted enquiry. If a major complaint is substantiated, the complainant may be suitably rewarded.

(Paragraph 183).

76. In proved cases of bribery and corruption, punishment must be swift and deterrent. Appropriate fines should invariably form part of the punishment.

(Paragraph 184).

77. Anti-Corruption Organisations on Railways should be strengthened on following lines :—

- (i) They should be separated from Security Organisations of Railways and placed under an officer of senior Administrative rank on each Railway, loaned from a government department other than the Railway and designated as Chief Investigating Officer. He should be assisted by an Anti-Corruption Officer in senior scale. He should maintain close co-ordination with Chief Security Officer and General Manager. He should be responsible for the work of this organisation to the Railway Board direct.

- (ii) The Anti-Corruption Organisation should not depend merely on complaints but should on its own initiative probe into the working of the various departments and unearth cases involving bribery, corruption and frauds. For this purpose, there should be a detective force under this Organisation.
- (iii) Strength of the Anti-Corruption Inspectors should be augmented wherever necessary, the rough index being at least one Inspector for one Division or two Districts.
- (iv) Suitable definite targets should be laid down for judging the efficiency of the Anti-Corruption Organisations. Similarly suitable time-limits should be fixed for finalising the cases.
- (v) Any cases which appear *prima facie* fit for prosecution should be promptly handed over to the Special Police Establishment.
- (vi) Periodical meetings should be convened by the Chief Investigating Officers, where all cases taken up by the Anti-Corruption Organisation should be discussed with the Superintendent of Police, Special Police Establishment. Those cases which the Superintendent of Police, Special Police Establishment may desire to take over should normally be handed over to him for further action.
- (vii) Quarterly reports should be submitted by the Chief Investigating Officers to the Railway Board, with a copy to the General Manager concerned, giving a review of the work done by the Anti-Corruption Organisations, including a brief history of the cases investigated and the action taken. This quarterly report should be submitted within a specified time from the close of the quarter.
- (viii) The Railway Board should convene periodical meetings of the Chief Investigating Officers to discuss the working of the Anti-Corruption Organisations on the Railways. A representative of Inspector General, Special Police Establishment, should also be invited to attend these meetings.
- (ix) It will be the responsibility of the Chief Investigating Officers to ensure personally that the staff posted in the Anti-Corruption Organisation are given suitable technical training for handling the work assigned to them.
- (x) Wider publicity should be given to the existence of the Anti-Corruption Organisations on the Railways by suitable notices to be inserted in the public time-tables and Railway Gazettes and by posters. Names and designations of the Railway staff punished in corruption cases should be published in the Railway Gazettes, giving the nature of of offence committed and the punishment inflicted.

(Paragraph 188).

#### CHAPTER XI.—ADMINISTRATIVE MEASURES.

78. The jurisdictions of Inspectors should be suitably revised where necessary. Inspectors should maintain a daily diary about their movement and the work done. A copy of this should be submitted along with their T. A. bills for the month.

(Paragraph 191).

79. The Efficiency Bureau of the Railway Board's Office should analyse the quantum of work performed by gazetted officers in various departments and suggest measures for reduction of desk work, increase in supervision work, and also suggest if any increase in the strength of class I and II staff is necessary.

(Paragraph 192).

80. The question of the existing size of the Zones should be reviewed by a small high power technical committee. In considering the question of re-adjusting the units, the question of Divisional/District systems should also be examined thoroughly. In case the District system is retained, provision should be made to effect proper co-ordination at the District level.

(Paragraph 193).

81. Government should satisfy themselves that officers appointed to higher positions where they have to exercise initiative and take decisions are completely free from any semblance of doubt about their integrity. Utmost care should therefore be exercised at the time of making selections for key posts and the question of reputation for honesty or otherwise of the officers concerned should be given due consideration. Officers at the top should be made to realise that their duty does not end by merely being above board themselves. It is also part of their duty to see that the staff working under them are efficient and honest.

(Paragraph 193).

82. Departmental instructions in force on various Railways should be reviewed periodically by the Efficiency Bureau introducing maximum amount of standardisation compatible with local conditions.

(Paragraph 194).

83. Revision of the Establishment and Traffic Codes should be expedited.

(Paragraph 194).

84. Railway Servants Conduct Rules should be included in the curriculum of the Railway Training Schools.

(Paragraph 194).

85. Rules of conduct of Railway employees in relation to the public should be made known to the public. They may be given in a summarised form in Railway time-tables.

(Paragraph 194).

86. Each office should maintain a register of pending references from the public to be checked by the Executive Officer with a view to expedite disposal. Persistent delays in disposal should be taken as a reflection on the supervision of the Executive Officer. The Executive Officer should make proper and detailed inspections once every six months of the office under his charge.

(Paragraph 195).

87. Rule regarding periodical transfers of line staff and gazetted officers should be more rigidly observed. Normally when an employee is transferred from one place he should not be reposted to the same place within 3 years.

(Paragraph 196).

88. Enforcement of Rules 8 to 13 of the Railway Servants Conduct Rules should be expedited.

(Paragraph 197).

89. Exceptional and outstanding work should receive special recognition by grant of honoraria, letters of appreciation and medals, honoraria being confined to non-gazetted employees only. Successful efforts of an officer to root out corruption should be a qualification for accelerated promotion.

(Paragraph 198).

90. Disparity in the emoluments of the lowest paid and highest paid government employees should be narrowed down. Till this is done the Government contribution to Provident Fund should be more in the case of lower income groups than that for higher income groups.

(Paragraph 201).

91. Greater attention should be paid to the problem of staff welfare than hitherto.

(Paragraph 201).

92. The Personnel Branch, which should be separated on each Division or District and placed under a District or Divisional Personnel Officer, should apart from routine staff matters interest itself in staff welfare and ensure that the various facilities provided for are impartially made available to the staff.

(Paragraph 202).

93. More Railway schools should be opened particularly where facilities for education of Railwaymen's children are non-existent.

(Paragraph 203).

94. The scheme for provision of subsidised hostels should be finalised without further delay.

(Paragraph 203).

95. Any distinction in rules between different classes of Railway employees in respect of educational assistance, medical assistance and leave rules should be done away with.

(Paragraph 203).

96. The District/Divisional Personnel Officer should pay frequent visits to Railway dispensaries and attend to complaints.

(Paragraph 204).

97. In addition to the maximum utilisation of existing medical facilities, suitable provision should be made in the Second Five Year Plan for systematically expanding medical facilities on Railways and providing modern equipment. Also better attention should be paid to sanitation and hygiene. T.B. sanatoria should be established at least one on each Railway.

(Paragraph 204).

98. The number of Institutes, Clubs and other facilities for sports and games should be increased.

(Paragraph 205).

99. Scheme of opening Rest Houses for staff at suitable places where they can spend their holidays at moderate cost and in reasonable comfort should materialise without undue delay.

(Paragraph 205).



100. Result of the Incentive Bonus Scheme introduced at Chittaranjan Locomotive Works should be closely watched and it should be introduced at other workshops also.

(Paragraph 207).

101. Promotion policy should be closely co-ordinated with training. Adequate training facilities should be provided on a planned basis to ensure that adequate cadre of trained personnel is always available. Avenues of promotion should be so increased that normally an average intelligent and conscientious employee gets promotion to a higher grade after suitable intervals.

(Paragraph 208).

102. Tempo of building staff quarters should be substantially increased.

(Paragraph 209).

103. Policy regarding allotment of staff quarters should be clearly enunciated and strictly adhered to. Priority registers should be open for scrutiny by the Sub-Committees referred to under item 106.

(Paragraph 209).

104. Greater encouragement should be given by the higher officials particularly the District/Divisional Personnel Officers in the development of canteens for staff on co-operative basis.

(Paragraph 210).

105. Policy of developing co-operative credit societies, co-operative stores, co-operative banks and co-operative insurance and even housing societies should be pursued with greater urgency.

(Paragraph 211).

106. On each Division or District, there should be a Sub-Committee consisting of representatives of recognised Unions, Welfare Inspectors and Staff Committees to look into specific complaints of staff regarding Passes, P. T. Os, Leave, increments, etc. District/Divisional Personnel Officer should take prompt action on reports of such sub-committees.

(Paragraph 212).

107. Adequate provision should be made in the Second Five Year Plan not only to make up for arrears but also to build up sufficient assets of rolling stock. Provision should also be made for facilities for quick movement over various routes which are at present regarded as bottlenecks. Additional facilities in the goods sheds, fencing of stations, yards and depots, proper lighting of Railway premises etc. should be provided on a planned basis.

(Paragraph 213).

108. Greater publicity than hitherto should be given through posters, magazines, pamphlets and notices in time-tables to :—

- (a) facilities that are available,
- (b) procedure to be adopted for making full use of them, and
- (c) machinery that exists to bring to the notice of the Administration any complaint regarding the same.

Similarly suitable publicity should be given to the various facilities available to the employees, particularly those in lower categories. There should be constant propaganda through posters, pamphlets and films both among the public and the Railway staff bringing home the evils of corruption. Public should also be warned, through posters at all the Railway stations and through microphones and loudspeakers at certain selected larger stations, against offering illegal gratification and should be informed that thereby they make themselves liable to criminal prosecution.

(Paragraph 214).

109. Officers should become leaders of men working under them by setting example of efficient and honest handling of the task allotted to them and by absolute fairness and impartiality in their dealings with their subordinates. They should set an example of simple living and high regard for duty. They should also assist the Trade Unions to develop on healthy and useful lines.

(Paragraph 216).

110. The Central Executive of the National Federation of Indian Railwaymen and other Unions should issue clear directives to all the Unions affiliated to them laying down the new role that Unions have to play in free India. The Unions should also lay down explicit rules that a person indulging in corrupt practices will be debarred from membership of the Union.

(Paragraph 217).

111. Railway Employees' Unions should concentrate their energies on constructive work which would teach workers habits of co-operation and self help. They must use their funds with whatever help they get from the Railways to organise night schools, housing societies, co-operative etc.

(Paragraph 217).

112. Railway Unions should co-operate with the Railway Administrations and assist in ensuring that the various privileges that have been conferred on the employees are really made available to them.

(Paragraph 217).

113. Passengers' Associations and Chambers of Commerce should make it a rule that an individual or firm found to have indulged in offering illegal gratification will be debarred from membership of these bodies. They should come forward with information and evidence if they have knowledge when a charge of corruption is made against a Railway Employee.

(Paragraph 218).

114. At every District and Divisional Headquarters and also at important industrial centres, a Consultative Committee should be constituted including representatives of Chambers of Commerce, local trade and industry and the general public through local bodies. Such Committees should replace the existing Goods Shed Advisory Committees where in existence. These Consultative Committees should discuss difficulties experienced by the users of the Railway and bring to the notice of the Administration cases of harassments by Railway staff.

(Paragraph 219).

115. Members of Consultative Committees should be authorised to check public Complaints entered in Complaints Books and, if not satisfied with their disposal recommend that the file be sent to the next higher authority for review. In the cases

of complaints of bribery and corruption the Committee should be authorised to nominate one of its members to be present in any enquiry held by the Administration. If the results of the enquiry reveal that a particular businessman or a group of businessmen have been regularly offering illegal gratifications for getting unfair advantage over his colleagues, the matter should be put up to the Consultative Committees which would recommend to the Chamber of Commerce or the Passengers' Association the appropriate action to be taken against the offenders.

(Paragraph 219).

116. Meetings of the Consultative Committees should be at least once every alternate month and it may be considered whether members of these Committees should be authorised to get the passenger trains checked in their presence to detect ticketless travelling.

(Paragraph 219).

117. Consultative Committees may suggest revision of procedure to facilitate work and their suggestions should be implemented if found feasible. If the suggestions are not accepted reasons should be furnished in writing to the Committee which should have the option of referring the matter to the next higher committee.

(Paragraph 220).

118. Scope of these Committees should be extended to include all matters of public interest connected with Railways barring individual cases of Railway employees.

(Paragraph 220).

119. Legislators should avoid sending recommendations to the Ministers or Government officials regarding individual cases of Railway employees for promotions, transfers, cancellation or reduction of punishments, etc. If after a preliminary examination of a case of punishment represented to him, the legislator feels that injustice has been done, he may forward it to the Railway Minister for review. Questions regarding appointments, transfers and promotions should be left to the Administrations. Under no circumstances should a legislator approach officials for any favours.

Those in the public life of the country, to whatever party they belong, should lay down healthy conventions and refrain from interfering with the Administration to accommodate their relations, friends, castemen and those who have personally obliged them. Only where a reference has been made to them in the application of the candidate and the appointing authority asks for it, may they give their genuine opinion about the merits of the candidate.

(Paragraph 221).

120. Public men and social workers should be alive to the danger of corruption in public administration. By precept, practice and constant propaganda they should make the general public conscious of their civic responsibility and create a strong opinion which will not tolerate any individual or a group indulging in anti-social practices.

(Paragraph 221).

121. Measures suggested by Shri B. N. Mullick for ensuring co-ordination between the Government Railway Police and the Civil Police should be implemented by the Home Ministry.

(Paragraph 225).

122. Recommendations made by Shri B. N. Mullick about reorganization of the Watch and Ward should be implemented without delay and the department reorganised at a statutory force on the lines indicated in Appendix V of Shri Mullick's report.

(Paragraph 226).

123. Recommendation of Shri B. N. Mullick that the Railway Protection Police should be replaced by ordinary Railway Police should be implemented.

(Paragraph 227).

124. Following modifications should be made in the procedure to expedite inquiries :—

*Enquiry procedure.*—(1) In a departmental enquiry, the accused official, if entitled to a defence counsel should, within 14 days of the receipt of the intimation about the enquiry, advise the officer concerned, in writing three names of staff or Union officials belonging to the Division or District to which he belongs, whom he nominates for such assistance, in order of priority. Before nomination, he should ascertain that any one of them would be prepared to act as his counsel. The Railway authority concerned will arrange to spare for attendance at the enquiry one of the nominees, preference being given in the order of priority if, for administrative reasons, the first nominee cannot be spared.

(2) If, in the opinion of the Enquiry Committee, there is insufficient justification for the absence of the accused or his defence counsel, the enquiry may be held *in absentia*.

(3) If the accused has any objection to a procedure followed at any inquiry, he shall immediately file his objection in writing. The Enquiry Committee will give due consideration to such an objection. If they reject the objection, they may record the reasons and file it with the proceedings. The decision, however, in this matter shall be final.

(4) The postponement of an enquiry can only be granted by the Committee if they consider that circumstances warrant such a course of action.

(5) If the accused, without good reason, withdraws from an enquiry, the Committee will complete the enquiry in the matter they deem fit.

(6) It will be the responsibility of the accused to produce his witnesses, if non-Railway employees, on due dates fixed by the Committee.

(7) The Committee may refuse to allow question being asked which, in their opinion, are irrelevant or objectionable.

(8) A departmental enquiry committee may consist of one or more officers or class III supervisory staff as the competent authority deems fit.

(Paragraph 229).

125. The provisions in the law, authorising courts to order confiscation of property where a charge of corruption has been proved, should be used more frequently than hitherto.

(Paragraph 231).

126. A comparative study should be made of the delegation of powers made on the various Railways in connection with disciplinary rules and uniformity should be introduced. The power to impose minor penalties which do not attract Article 311 of the Constitution should be delegated to the maximum extent possible.

(Paragraph 232).

127. The General Manager should be empowered to impose on Class I Officers in the Junior Scale the penalties of censure, withholding of increments and recovery from pay of the whole or part of any pecuniary loss caused to Government by negligence or breach of orders.

(Paragraph 232).

## CHAPTER XII.—LEGAL MEASURES.

128. Sub-section (1) of Section 137 of the Indian Railways Act 1890 should be amended as under :—

“Section 137(i).—Every Railway servant shall be deemed to be a public servant for the purposes of Chapter IX of the Indian Penal Code and for the offences described under the Prevention of Corruption Act (Act II of 1947) as amended from time to time”.

(Paragraph 234).

129. A Departmental Tribunal should be set up on each Railway consisting of two officials of the Senior Administrative rank—one of whom may be loaned from another department of the Government of India. This Tribunal will hold an enquiry into the case referred to it by the Chief Investigating Officer in consultation with the General Manager.

Within 15 days from the receipt of the report from the Chief Investigating Officer by the General Manager, a chargesheet should be handed over to the accused official with copies of the material documents. The formal enquiry should commence within a month from the date of handing over the charge and should be completed as speedily as possible.

The suggestions for the working of this Departmental Tribunal are :—

- (i) The enquiry body may co-opt an Assessor—one or more—to assist it.
- (ii) The Assessor may be a departmental officer higher in rank in the department to the official charged.
- (iii) The Tribunal, while submitting its proceeding, will also formulate its recommendations about the punishment.
- (iv) In the case of gazetted officers, it shall not be incumbent on the Government to consult the Union Public Service Commission on the Tribunal's recommendations, for a few years till conditions become normal.
- (v) The Tribunal will sit at such places as it may determine and evolve its own procedure.
- (vi) The Tribunal will be guided by rules of equity and natural justice.
- (vii) The General Manager will give all reasonable facilities to the Tribunal for inquiry of cases.
- (viii) The possibility of excluding the cases enquired into by this Tribunal from the operation of Articles 32, 136 and 226 of the Constitution may be examined.

(Paragraphs 236 & 237).

130. A brief report on the general working of the Departmental Tribunals with an assessment of the situation should be presented to Parliament along with the Railway Budget papers.

(Paragraph 239).

### CHAPTER XIII.—MISCELLANEOUS MATTERS.

131. Surprise re-weighments of the wagons loaded with coal should be conducted and drastic action taken against staff responsible for over-weighments.

(Paragraph 242).

132. Provision of expanded metal cover, fencing of stacking areas and proper lighting, better watch and ward arrangements and strict supervision would minimise pilferage of coal.

(Paragraph 243).

133. The system of doing the work of cleaning and removing ash, picking cinders, cleaning of the locomotives etc., departmentally should be given a trial.

(Paragraph 246).

134. The scheme of decasualisation of the licenced porters should be implemented on all the Railways without further delay.

(Paragraph 247).

135. Tendency for exploitation of licenced porters, whether under the control of the contractors or under the control of the Railways, must be curbed.

(Paragraph 248).

136. Scheduled portorage charges should be clearly indicated in local languages on the uniforms of the licensed porters and prominently displayed on the station platforms indicating the authority to be approached in case excessive charge is demanded.

(Paragraph 249).

137. Greater vigilance should be maintained and more surprise checks conducted by the higher authorities to stop unlicensed porters getting access to the incoming and outgoing trains and carrying the passengers' luggage.

(Paragraph 250).

138. Railway Grainshops should be abolished as early as possible.

(Paragraph 251).

139. The Committee appointed by the Government of India to examine recruitment to Government Services should go into the question of procedure adopted for recruitment on Railways, keeping in view the following points :—

- (i) age limits and educational qualifications of the prospective candidates,
- (ii) fees to be charged,
- (iii) recruitment on the Railways on a regional basis,
- (iv) evolving proper tests to be held to take *inter alia* the aptitude of the candidates into consideration,
- (v) a proper mode of conducting the examinations impartially,
- (vi) prompt publication of the results after the selections are finalised, and
- (vii) prompt issue of the appointment letters after the publication of results.

(Paragraph 254).

140. The Railway Board should bring out a small brochure describing different types of jobs offered by the Railways, brief nature of the jobs, future prospects and emoluments as well as age and educational qualifications required.

(Paragraph 255).

141. As a long term measure government should maintain close co-ordination with the different educational institutions and universities which should suggest suitable candidates for different types of jobs available. The number of students admitted for technical training in any branch should have some relation to the number of jobs available in that branch. This however is a problem to be tackled by the Education Department and the Planning Commission.

(Paragraph 256).

142. Efforts should be made to raise the standard of performance of Light Railways and bring them in line with Government Railways. The process of nationalising these Railways should be expedited.

(Paragraph 257).

143. The following recommendation of the Stores Purchase Committee should be put into effect immediately on the Railways also.

"Late tenders i.e. those received after the specified time of opening, should not be considered.

"Delayed tenders i.e. those received before the time of opening but after the due date and time for receipt of tenders may be considered in exceptional circumstances only."

(Paragraph 260).

144. Proper procedure should be observed at the stage of registration of contractors for the Stores Department separately classifying some firms of good standing for each class of materials.

(Paragraph 260).

145. Stricter observance of the rule that specific reasons should be recorded when the lowest tender is not accepted and a provision that in such cases the sanction of the next higher authority should be obtained will reduce the incidence of malpractices.

(Paragraph 260).

146. Laxity in inspection should be remedied by insisting that materials approved after inspection must be subjected to random check by higher authorities. Inspectors should also be shifted periodically from one place to another and the types of stores they have to deal with should also be changed as far as possible. Representatives of the consuming departments should be associated at the time of inspections to a greater degree than now.

(Paragraph 260).

147. When supplies are rejected, reasons for rejection, i.e. which particular aspect of the specification is not complied with, should be recorded and conveyed to the contractor.

(Paragraph 260).

148. There should be stricter physical verification of stock both at the time of purchase as well as at suitable intervals.

(Paragraph 260).

149. Some control can be exercised on the utilization of material issued to the consuming department as under :—

- (a) *Materials issued for repairs and maintenance.*—(i) Consumable stores :—  
By periodical review of consumption in relation to the performance.
- (ii) Non-consumable stores : By ensuring that materials returned as un-serviceable tally with fresh issues within reasonable limits.
- (b) *Materials issued for capital work.*—In the case of capital works, the items which can be counted by numbers should be checked by counting and compared with issues. Where the material can be measured only by weighment and cannot be weighed after having been used up, it can be checked with some accuracy by getting the material actually used assessed by a competent Engineer and comparing with the issues against the 'work'. Where such material used on the work is a mixture of more than one item issued, sampling should be made to ensure that materials have been mixed in correct proportion.

(Paragraph 260).

150. There should be independent spot checks on all transactions of the Stores Department by Audit.

(Paragraph 263).

151. Grievances of contractors as well as others having dealing with the Stores Departments should be redressed at sufficiently high level.

(Paragraph 263)

152. The Indian Railway Code for the Stores Department envisages a security deposit being obtained from the Ward Keepers ; but this is not being followed. This should be enforced.

(Paragraph 263).

J. B. KRIPALANI—*Chairman.*

*Members*

SHAHNAWAZ KHAN  
W. S. BARLINGAY  
K. S. HEGDE  
A. KRISHNASWAMY  
K. L. MORE  
K. RAGHURAMIAH  
P. S. RAJAGOPAL NAIDU  
RAM SUBHAG SINCH  
SATIS CHANDRA SAMANTA  
SARANGADHAR DAS  
M. D. UPADHYAYA

*Secretary*

H. N. TRIVEDI.

*The 9th July, 1955.*



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# **APPENDICES**

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## APPENDIX I

## RAILWAY CORRUPTION ENQUIRY COMMITTEE

*Questionnaire.*

(Note.—Correct cases with facts, figures and date, time and place of occurrence may be cited wherever possible.)

(1) What are the modes of corruption prevalent amongst the Railway staff in respect of the following :

(a) Booking of goods and parcels traffic with special reference to:

- (i) registration,
- (ii) allotment of wagons.
- (iii) loading.
- (iv) delays in transit specially to perishable and livestock,
- (v) unloading, and
- (vi) delivery.

(b) Booking of passengers and their luggage with special reference to

- (i) opening of booking windows.
- (ii) charging fares for tickets,
- (iii) charging excess fares for making tickets available for higher class or longer distances,
- (iv) granting refunds on unused tickets,
- (v) reservation of berths,
- (vi) reservation of carriages and their movements, and
- (vii) booking of luggage.

(2) Is the information about allotment, restrictions, etc., exhibited on the notice-boards at stations and also intimated to the Chambers of Commerce, etc. ?

(3) (a) Are there cases of empty wagons "placed" being shown as "non-placed" to avoid payment of demurrage and/or forfeiture of registration fee ?

(b) Is this done in the case of inward loaded wagons also to avoid payment of demurrage ?

(4) Are there cases of deliberate under-weighment to avoid the payment of the full freight charges ? Are they numerous ?

(5) Are there cases of deliberate over-weighment to put forward false claims ?

(6) Are there cases of persons getting wagons of larger floor area in collusion with the Railway staff ?

(7) What is the extent of ticketless travelling and to what extent is it resorted to because of the connivance of the Railway staff ?

(8) What are the ways in which thefts and pilferages of goods and parcels occur :

- (i) in Railway stations,
- (ii) in marshalling yards, and
- (iii) on running trains ?

To what extent of the Railway staff responsible for these thefts and pilferages ?

(9) What is the "*modus operandi*" generally adopted in following such malpractices ?

(10) Are you aware of any instances of empty wagons being unnecessarily detained on any Railway at intermediate yards ?

(11) Are there cases of pilgrims being harassed by the Railway staff particularly during the melas, to extract illegal gratification ?

(12) What measures do you suggest to eradicate these malpractices ?

(13) In what way can the public co-operation be enlisted to eradicate these malpractices ?

(14) Do you consider that periodical checks by a Committee of Railway Officers and non-officials at important stations will be useful in ensuring proper allotments and giving satisfaction to the public ?

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## APPENDIX II

*Questionnaire for the Railway Administrations.*

(Note.—Concrete cases with facts, figures and date, time and place of occurrence may be cited wherever possible).

## SECTION A.

(1) What are the different forms of corruption amongst different categories of Railway staff in respect of :—

- (a) booking of goods and parcels traffic ;
- (b) booking of passengers and their luggage ; and
- (c) pilferages ?

Indicate the methods adopted in each case.

(2) What steps have been taken by the administration to put down this evil and to what extent they have been effective ?

(3) What is the strength of the Anti-corruption Branch of your Railway ?

(4) What are the distinctive features of your Anti-corruption organisations and what are its advantages and dis-advantages ?

(5) What liaison is maintained by this Branch with the Railway authorities on the one hand and the Civil Police on the Other ?

(6) Please furnish the following figures for the last three financial years :

- (i) No. of cases of corruption reported to the Anti-corruption Branch.
- (ii) No. of cases investigated by the Anti-corruption Branch.
- (iii) No. of cases finalised by the Anti-corruption Branch.
- (iv) No. of cases in which the responsibility could be fixed.
- (v) No. of cases in which punishments were inflicted.
- (vi) Percentage of (ii) to (i).
- (vii) Percentage of (iii) to (ii).
- (viii) Percentage of (iv) to (iii).
- (ix) Percentage of (v) to (iv).
- (x) Classification of (ii) under different categories.

(7) What are the reasons for the percentages under (vi) to (ix) not being higher than the actuals ?

Illustrate difficulties with concrete cases.

(8) To what extent is ticketless travelling due to the connivance of the ticket checking staff ?

(9) What steps have been taken by the Administration for preventing ticketless travelling and to what extent have they been effective ?

(10) What, in your opinion, are the root causes of corruption prevalent amongst the Railway staff ?

(11) What administrative and legal measures do you suggest to root out corruption ?

(12) To what extent has public co-operation been sought in eradicating corruption amongst the Railway staff and with what effect ?

(13) Can you suggest better methods of securing co-operation from the public in this direction ?

(14) To what extent are the rules 8 to 13 of the Railway Servants' Conduct Rules (Appendix XI of States Railway Establishment Code, Vol I) enforced, particularly rule No. 11 ? What are the reasons, if any, for their non-compliance ?

(15) Do you consider that building up a healthy tradition of absolute honesty in dealing with the public by constant propaganda, lectures, etc. will be of assistance in eradicating this evil ?

#### SECTION B.

A review of the claims statistics indicates that three major factors contributing to claims are (a) goods lost, (b) goods stolen, and (c) parcels and luggage lost and stolen.

(1) To what extent is the loss of goods, parcels and luggage due to thefts, mis-despatches and other causes in :

- (a) goods and parcels offices ;
- (b) in marshalling yards or at stations ; and
- (c) on running trains ?

(2) What are the reasons for thefts in goods shed, stations and marshalling yards in spite of the posting of watch and ward staff ?

(3) Are any surprise checks made specially during night time by Railway police or civil police officers, particularly of the spots notorious for thefts ?

(4) What is the number of such surprise checks made month by month during the financial year 1952-53 and what were the results ?

(5) What is the extent of running train thefts on your Railway and what is the *modus operandi* ?

(6) What steps have been taken by the administration to prevent running train thefts and why have they not been fully effective ?

(7) What other steps have been taken to prevent loss of goods and parcels due to thefts ?

(8) Please furnish the following figures for the last three financial years :

(i) No. of theft cases reported.

(ii) No. of theft cases dealt with by Watch and Ward Department under following heads :

(a) Running train

(b) Yard

(c) Shed

(d) Platform and shop

(e) Total.

(iii) No. of cases in which responsibility was fixed.

(vi) No. of cases in which departmental action was taken against the culprits.

(v) No. of cases in which legal action was taken against the culprits.

(vi) Percentage of (ii) to (i).

(vii) Percentage of (iii) to (ii).

(viii) Percentage of ( (iv) and (v) ) to (iii).

(9) What are the reasons for percentages under (vi) to (viii) not being higher than the actuals ?

Illustrate difficulties with concrete cases.

(10) What are the main reasons for the considerable increase in the number of compensation claims paid by the Railways during the post-war years ?

(11) Is packing, labelling and marking of packages being given the attention it deserves to reduce claims ?

(12) To what extent are the E. P. locks used particularly in the case of valuable commodities with a view to reduce chances of thefts ? How far has their use been increased during the last four years ?

(13) In the case of wagons which are not E. P. locked, are they properly rivetted with a view to avoiding the wagon doors being opened easily ?

(14) Is the loading of consignments done according to the rules in force after providing dunnage and after leaving same distance between the wagon doors and the consignments with a view to avoiding the possibility of losses due to "bleeding" ?

(15) How far has action been taken on the various recommendations of Mr. Brown who was placed on special duty in 1951 in connection with the prevention of claims ?

(16) Do you expect any decrease in the number and value of claims on your Railway in the near future ? Give reasons.

(17) What other steps do you propose to ensure that the number of claims on your railway comes down ?

### SECTION C.

(1) What is the procedure for allotting wagons for the loading of goods ?

(2) What steps have been taken to improve the wagon turnround specially in the following directions :—

(a) Expeditious loading and unloading ;

(b) Reduction in transit time, by :

(i) nominated loading ;

(ii) forming long distance trains to cut out detentions in intermediate yards ;

(iii) pooling of engines to get more intensive usage.

(3) (a) Is inadequate or defective layout of any of the yards leading to extra detention to stock ? If so, give details and indicate the steps proposed to be taken to overcome these.

(b) Is the line capacity, power capacity or transshipment capacity proving a bottleneck in the free movement of traffic ? If so, give details and indicate steps taken and proposed to be taken to overcome these.

(c) Have you any schemes on hand to improve the availability of stock ? What are they ?

(4) Do you keep any pockets of empties at intermediate yards to fulfil your interchange obligations ? Has this increased or decreased in recent times ?

(5) Is a sufficient degree of co-ordination maintained with the other Railways :

(a) to keep fluidity of interchange traffic and

(b) to get suitable increase in quotas where the existing quotas are inadequate ?

## SECTION D.

(1) What is the policy adopted on your Railway in granting refreshment room, vending, bookstall and labour contracts ?

(2) What factors are taken into account in granting contracts ?

(3) What supervision is exercised over the work of these contractors ?

(4) When any deterioration in such services is detected, is prompt and adequate action taken to bring about an immediate improvement ?

(5) What measures would you suggest to ensure that the quality of services rendered by the different types of contractors is of the requisite standard ?

(6) Are there instances of the contracts being sublet ?

(7) Will the increase in the number of contracts improve the quality of service ?

(8) Do you consider that giving contracts for vending and refreshment rooms on the tender system instead of the existing method, will improve the quality of service, and reduce the chances of corruption ?

(9) Do you consider that departmental catering will improve the quality of service without incurring losses ?





## APPENDIX III

*Questionnaire for the State Governments.*

(Note.—Concrete cases with facts, figures and date, time and place of occurrence may be cited wherever possible).

(1) What are the normal forms of corruption amongst different categories of Railway staff in respect of :

- (a) booking of goods and parcels traffic,
- (b) booking of passengers and their luggage, and
- (c) pilferages ?

Please indicate the methods adopted in each case.

(2) What is the extent of ticketless travelling in your State ?

(3) What is the approximate proportion of Railway crime to the total crimes committed in the State ?

(4) Are any organised gangs of thieves operating in the State in particular areas and stealing goods and parcels from Railway goods sheds, stations, marshalling yards and running trains ? Please give details.

(5) What measures have been taken by the State Government to put a stop to these activities and with what effect ?

(6) What co-ordination is being maintained with the Railway authorities to eradicate corruption amongst Railway staff ?

(7) How far are the public responsible in encouraging the Railway staff to adopt corrupt practices ?

(8) What legal and/or administrative measures do you suggest to eliminate corruption from amongst the Railway staff ?

## APPENDIX IV

*Questionnaire for the Inspector General, Special Police Establishment, New Delhi.*

(Note.—Concrete cases with facts, figures and date, time and place of occurrence may be cited, wherever possible).

(1) What are the normal forms of corruption amongst different categories of Railway staff in respect of :

- (a) booking of goods and parcels traffic,
- (b) booking of passengers and their luggage,
- (c) pilferages,

Indicate the methods adopted in each case.

(2) Is corruption more prevalent amongst any particular category of the Railway staff? If so, please mention it.

(3) In your opinion, is the extent of corruption on Railway larger, smaller, or of the same order as that in other Government services? Please give reasons for your opinion.

(4) What co-ordination is being maintained by your branch with the Railway Administrations and what difficulties, if any, are being experienced in collecting the evidence and bringing the culprits to book? Can you suggest any improvements?

(5) Is the present trend upward or downward in the extent of corruption amongst the Railway staff?

(6) What legislative and/or administrative measures do you suggest to eradicate this evil?

## APPENDIX V.

*Questionnaire for the National Federation of Indian Railwaymen and individual Railway Unions.*

(Note.—Concrete cases with facts, figures and date, time and place of occurrence may be cited, wherever possible).

(1) What are the normal forms of corruption amongst different categories of Railway staff with regard to :

- (a) booking of goods and parcels,
- (b) booking of passengers and their luggage, and
- (c) pilferages,

and indicate the methods adopted in each case.

(2) Has the Federation or the Union taken any steps to root out corruption from amongst the Railway staff and what results have been achieved so far ?

(3) How far is the public responsible for encouraging corrupt practices amongst Railway staff ?

(4) To what extent is the complete or partial loss of goods and parcels in transit due to the negligence of the staff and to what extent is it due to thefts by or in collusion with the Railway staff ?

(5) To what extent is ticketless travelling due to the connivance of the ticket checking staff ?

(6) What improvement do you suggest in the existing rules to eradicate corruption amongst the Railway staff ?

(7) What, in your opinion, are the root causes of corruption amongst the Railway staff ?

(8) Do you consider that building up a healthy tradition of absolute honesty in dealing with the public by constant propaganda, lectures etc. will be of assistance in eradicating this evil ?

(9) What other measures would you suggest to eradicate this evil ?

## APPENDIX VI

*Supplementary Questionnaire for the Railway Administrations.***A. STAFF AMENITIES :**

(1) What is the strength of Railway staff on your Railway in each class (Class I, II, III and IV)?

(2) Has the fixation of pay in the revised scales been completed?

(3) Are the seniority list of different categories of staff up-to-date and are they available to staff for scrutiny if they so desire?

(4) Are the avenues of promotion for different categories of staff clearly laid down and made known to the staff?

(5) Has the Adjudicator's Award been fully implemented on your Railway? If not, what is the latest position?

(6) If the relieving strength or leave reserve strength of staff in different categories of staff adequate to enable the staff to get leave as per rules, when required by them?

(7) (a) What are the medical facilities available on your Railway—both indoor and outdoor—for the staff? Are these considered adequate?

(b) Are there any schemes in the first and second Five Year Plans for increasing the medical facilities? If so, please give details.

(8) (a) What are the housing facilities available on your Railway for the staff? Are they considered adequate?

(b) Are there any schemes in the first and second Five Year Plans for building more staff quarters? If so, please give detail.

(9) (a) What are the educational facilities available on your Railway for the children of Railway staff? Are they considered adequate?

(b) Are there any schemes in the first and second Five Year Plans for increasing the educational facilities? If so, please give details?

(10) What are the recreational facilities available on your Railway for the staff and their families? Are they considered adequate?

(11) What is the machinery on your Railway for giving prompt attention to the legitimate grievances of the staff? Is it working satisfactorily?

**B. SUPERVISION.**

(1) What is the schedule of station inspections by the Commercial and Transportation Inspectors on your Railway ?

(2) What is the schedule of inspections by the Assistant Commercial and Operating Officers on your Railway ?

(3) Are periodical checks (by motor trolley or otherwise) made by the District Commercial and Operating Officers ? What is their frequency ?

(4) Is a regular and joint inspection of entire District or Division made by the District or Divisional Officers ? What is their frequency ?

(5) What is the schedule of inspections of the Districts or Divisions by the Administrative Officers on your Railway ?

(6) Is the outdoor supervision by the District or Divisional Officers adequate ?

**C. ENGINEERING :**

(1) What is the system for giving contracts on your Railway for engineering works ?

(2) Is an Accounts Officer consulted before accepting tenders ?

(3) Is the existing procedure considered satisfactory or do you suggest any changes ?

**D. THEFT OF COAL :**

(1) What was the annual consumption of different grades of loco coal on your Railway during the last three financial years ?

(2) What was the actual receipt of loco coal against the invoiced weight ?

(3) What are the reasons for the difference in the receipts and the invoiced weight ? To what extent is this difference due to pilferage ?

(4) What is the extent of thefts of loco coal from the various sheds on your Railway ?

(5) What steps have been taken to eliminate such thefts ?

(6) What is the extent of thefts of public coal from wagons during transit and what steps have been taken to eliminate such thefts ?

(7) What further measures do you consider necessary to eliminate such thefts ?

(8) What check is exercised to ensure that correct weight of coal is invoiced at the weighbridges ?

## APPENDIX VII

**Statement showing the turn-round of wagons and the average lead on the Broad Gauge system of the Indian Railways for the period from April 1940 to May 1954.**

	Months.		Turn-round of wagons (in days).	Average lead.
April	1940	" "	8·5	
May	"	" "	8·8	
June	"	" "	9·9	
July	"	" "	10·6	
August	"	" "	10·7	
September	"	" "	9·6	
October	"	" "	9·4	
November	"	" "	9·1	
December	"	" "	8·8	
January	1941	" "	8·4	
February	"	" "	8·3	
March	"	" "	8·6	
April	"	" "	9·0	
May	"	" "	9·1	
June	"	" "	9·4	
July	"	" "	10·0	
August	"	" "	9·8	
September	"	" "	9·4	
October	"	" "	9·7	
November	"	" "	9·1	
December	"	" "	9·4	
January	1942	" "	9·5	244
February	"	" "	9·2	
March	"	" "	9·5	
April	"	" "	10·2	
May	"	" "	10·9	
June	"	" "	11·4	
July	"	" "	11·3	
August	"	" "	12·5	
September	"	" "	12·0	244
October	"	" "	11·7	244
November	"	" "	11·0	240
December	"	" "	11·0	232

		Months.					Turn-round of wagons (in days).	Average lead.
January	1943	..	..	..	..	..	10·6	232
February	"	..	..	..	..	..	9·9	232
March	"	..	..	..	..	..	10·1	242
April	"	..	..	..	..	..	10·4	246
May	"	..	..	..	..	..	10·8	243
June	"	..	..	..	..	..	10·8	247
July	"	..	..	..	..	..	11·5	252
August	"	..	..	..	..	..	12·1	247
September	"	..	..	..	..	..	11·4	253
October	"	..	..	..	..	..	12·1	243
November	"	..	..	..	..	..	11·5	242
December	"	..	..	..	..	..	11·2	238
January	1944	..	..	..	..	..	11·0	237
February	"	..	..	..	..	..	10·7	236
March	"	..	..	..	..	..	10·5	233
April	"	..	..	..	..	..	10·8	233
May	"	..	..	..	..	..	10·8	232
June	"	..	..	..	..	..	10·7	233
July	"	..	..	..	..	..	11·1	237
August	"	..	..	..	..	..	11·6	233
September	"	..	..	..	..	..	11·0	234
October	"	..	..	..	..	..	11·0	236
November	"	..	..	..	..	..	10·6	229
December	"	..	..	..	..	..	10·9	238
January	1945	..	..	..	..	..	10·4	223
February	"	..	..	..	..	..	10·2	225
March	"	..	..	..	..	..	10·1	216
April	"	..	..	..	..	..	10·2	231
May	"	..	..	..	..	..	10·2	228
June	"	..	..	..	..	..	10·5	232
July	"	..	..	..	..	..	10·8	237
August	"	..	..	..	..	..	10·8	231
September	"	..	..	..	..	..	11·0	240
October	"	..	..	..	..	..	10·9	235
November	"	..	..	..	..	..	10·8	237
December	"	..	..	..	..	..	10·8	233

Months.								Turn-round of wagons (in days).	Average lead.
January	1946	..	..	..	..	..	..	10.5	240
February	"	..	..	..	..	..	..	10.2	233
March	"	..	..	..	..	..	..	10.8	235
April	"	..	..	..	..	..	..	10.9	240
May	"	..	..	..	..	..	..	11.2	220
June	"	..	..	..	..	..	..	11.7	237
July	"	..	..	..	..	..	..	12.2	236
August	"	..	..	..	..	..	..	13.4	244
September	"	..	..	..	..	..	..	12.9	239
October	"	..	..	..	..	..	..	12.5	237
November	"	..	..	..	..	..	..	12.7	247
December	"	..	..	..	..	..	..	12.4	244
January	1947	..	..	..	..	..	..	11.8	235
February	"	..	..	..	..	..	..	11.7	239
March	"	..	..	..	..	..	..	12.7	273
April	"	..	..	..	..	..	..	13.0	260
May	"	..	..	..	..	..	..	13.0	237
June	"	..	..	..	..	..	..	13.0	253
July	"	..	..	..	..	..	..	13.2	†236
August	"	..	..	..	..	..	..	14.3	244
September	"	..	..	..	..	..	..	13.8	233
October	"	..	..	..	..	..	..	15.3	228
November	"	..	..	..	..	..	..	14.2	229
December	"	..	..	..	..	..	..	13.9	237
January	1948	..	..	..	..	..	..	13.2	223
February	"	..	..	..	..	..	..	12.8	228
March	"	..	..	..	..	..	..	13.3	*
April	"	..	..	..	..	..	..	12.8	206
May	"	..	..	..	..	..	..	14.3	238
June	"	..	..	..	..	..	..	14.8	228
July	"	..	..	..	..	..	..	14.7	259
August	"	..	..	..	..	..	..	14.8	244
September	"	..	..	..	..	..	..	13.9	239
October	"	..	..	..	..	..	..	13.2	226
November	"	..	..	..	..	..	..	13.0	235
December	"	..	..	..	..	..	..	12.2	243



[illegible]

Months.								Turn-round of wagons (in days).	Average lead.
January	1952	..	..	..	..	..	..	10·3	289
February	..	..	..	..	..	..	..	10·1	250
March	..	..	..	..	..	..	..	10·4	223
April	..	..	..	..	..	..	..	10·3	253
May	..	..	..	..	..	..	..	10·6	237
June	..	..	..	..	..	..	..	10·9	237
July	..	..	..	..	..	..	..	10·9	235
August	..	..	..	..	..	..	..	10·8	262
September	..	..	..	..	..	..	..	10·8	255
October	..	..	..	..	..	..	..	10·8	267
November	..	..	..	..	..	..	..	10·4	248
December	..	..	..	..	..	..	..	10·4	262
January	1953	..	..	..	..	..	..	10·4	242
February	..	..	..	..	..	..	..	10·0	242
March	..	..	..	..	..	..	..	10·1	226
April	..	..	..	..	..	..	..	10·3	246
May	..	..	..	..	..	..	..	10·3	249
June	..	..	..	..	..	..	..	11·6	257
July	..	..	..	..	..	..	..	11·4	253
August	..	..	..	..	..	..	..	11·6	241
September	..	..	..	..	..	..	..	11·0	250
October	..	..	..	..	..	..	..	10·9	247
November	..	..	..	..	..	..	..	10·8	258
December	..	..	..	..	..	..	..	10·5	249
January	1954	..	..	..	..	..	..	10·6	249
February	..	..	..	..	..	..	..	10·3	243
March	..	..	..	..	..	..	..	10·1	244
April	..	..	..	..	..	..	..	10·2	252
May	..	..	..	..	..	..	..	10·8	246

† Result exclusive of N. S. Rly.

\* Not available.

## APPENDIX VIII

Statement showing the turn-round of wagons and the average lead on the Metre Gauge system of the Indian Railways for the period from January 1944 to May 1954.

Months.						Turn-round of wagons (in days).		
						Northern Group.	Southern Group.	Average lead.
January	1944	..	..	..	..	6.6	..	146
February	..	..	..	..	..	6.4	..	140
March	..	..	..	..	..	6.5	..	135
April	..	..	..	..	..	7.1	..	147
May	..	..	..	..	..	7.7	..	159
June	..	..	..	..	..	8.0	..	156
July	..	..	..	..	..	8.0	..	158
August	..	..	..	..	..	9.0	..	162
September	..	..	..	..	..	9.4	..	169
October	..	..	..	..	..	8.9	..	168
November	..	..	..	..	..	8.3	..	169
December	..	..	..	..	..	7.8	..	165
January	1945	..	..	..	..	7.4	..	146
February	..	..	..	..	..	7.1	..	148
March	..	..	..	..	..	7.0	..	139
April	..	..	..	..	..	7.9	..	149
May	..	..	..	..	..	8.5	..	162
June	..	..	..	..	..	8.8	..	165
July	..	..	..	..	..	9.4	..	172
August	..	..	..	..	..	9.8	..	167
September	..	..	..	..	..	11.3	..	155
October	..	..	..	..	..	11.7	..	160
November	..	..	..	..	..	11.4	..	156
December	..	..	..	..	..	10.2	..	150
January	1946	..	..	..	..	8.9	..	133
February	..	..	..	..	..	8.7	..	143
March	..	..	..	..	..	9.5	..	140
April	..	..	..	..	..	10.5	..	147
May	..	..	..	..	..	11.3	..	157
June	..	..	..	..	..	11.8	..	164

Months.						Turn-round of wagons (in days).		
						Northern Group.	Southern Group.	Average lead.
July	1946	..	..	..	..	12·9	..	155
August	..	..	..	..	..	12·7	..	157
September	..	..	..	..	..	12·2	..	158
October	..	..	..	..	..	12·0	..	152
November	..	..	..	..	..	11·1	..	156
December	..	..	..	..	..	9·5	..	135
January	1947	..	..	..	..	8·3	..	116
February	..	..	..	..	..	8·2	..	136
March	..	..	..	..	..	9·1	..	135
April	..	..	..	..	..	10·3	..	146
May	..	..	..	..	..	11·2	..	145
June	..	..	..	..	..	10·9	..	152
July	..	..	..	..	..	11·2	..	147
August	..	..	..	..	..	9·2	..	154
September	..	..	..	..	..	10·8	..	141
October	..	..	..	..	..	10·7	..	149
November	..	..	..	..	..	10·3	..	142
December	..	..	..	..	..	8·2	..	149
January	1948	..	..	..	..	6·9	..	129
February	..	..	..	..	..	6·4	..	113
March	..	..	..	..	..	6·4	..	**
April	..	..	..	..	..	9·0	..	136
May	..	..	..	..	..	9·7	..	141
June	..	..	..	..	..	9·6	..	137
July	..	..	..	..	..	9·3	..	141
August	..	..	..	..	..	9·4	..	143
September	..	..	..	..	..	9·1	..	148
October	..	..	..	..	..	9·3	..	141
November	..	..	..	..	..	9·4	..	139
December	..	..	..	..	..	8·3	..	139
January	1949	..	..	..	..	7·0	..	130
February	..	..	..	..	..	6·6	..	119
March	..	..	..	..	..	6·4	..	123
April	..	..	..	..	..	7·5	..	134
May	..	..	..	..	..	7·9	..	142
June	..	..	..	..	..	7·8	..	144

Months.						Turn-round of wagons (in days).		
						Northern Group.	Southern Group.	Average lead.
July	1949	..	..	..	..	7.9	..	147
August	"	..	..	..	..	8.5	..	147
September	"	..	..	..	..	7.5	..	145
October	"	..	..	..	..	7.9	..	149
November	"	..	..	..	..	7.6	..	149
December	"	..	..	..	..	6.8	..	140
January	1950	..	..	..	..	6.3	....	117
February	"	..	..	..	..	5.8	....	129
March	"	..	..	..	..	6.8	....	123
April	"	..	..	..	..	7.4	6.3	140
May	"	..	..	..	..	8.2	6.6	146
June	"	..	..	..	..	8.0	6.8	145
July	"	..	..	..	..	8.2	6.6	153
August	"	..	..	..	..	8.0	6.4	142
September	"	..	..	..	..	8.1	6.3	152
October	"	..	..	..	..	7.6	6.3	146
November	"	..	..	..	..	7.0	6.2	151
December	"	..	..	..	..	6.1	6.0	129
January	1951	..	..	..	..	5.3	6.0	118
February	"	..	..	..	..	5.3	5.9	120
March	"	..	..	..	..	5.6	6.1	124
April	"	..	..	..	..	6.5	6.3	131
May	"	..	..	..	..	6.7	6.8	142
June	"	..	..	..	..	7.0	6.7	141
July	"	..	..	..	..	7.2	6.8	132
August	"	..	..	..	..	7.0	7.1	137
September	"	..	..	..	..	7.0	6.3	157
October	"	..	..	..	..	7.1	6.3	152
November	"	..	..	..	..	6.6	6.1	142
December	"	..	..	..	..	5.7	5.9	157
January	1952	..	..	..	..	5.2	5.9	123
February	"	..	..	..	..	5.1	5.9	126
March	"	..	..	..	..	5.5	6.0	131
April	"	..	..	..	..	5.8	6.0	132
May	"	..	..	..	..	6.6	6.7	157
June	"	..	..	..	..	7.2	6.6	163

Months.						Turn-round of wagons (in days).		
						Northern Group.	Southern Group.	Average lead.
July	1952	..	..	..	..	8.0	6.4	155
August	"	..	..	..	..	7.8	6.9	164
September	"	..	..	..	..	8.0	7.0	166
October	"	..	..	..	..	8.1	7.1	158
November	"	..	..	..	..	7.5	6.8	151
December	"	..	..	..	..	6.3	7.3	141
January	1953	..	..	..	..	6.3	6.8	138
February	"	..	..	..	..	6.2	6.7	128
March	"	..	..	..	..	6.2	7.5	139
April	"	..	..	..	..	6.8	8.0	139
May	"	..	..	..	..	7.7	8.0	149
June	"	..	..	..	..	8.4	8.3	167
July	"	..	..	..	..	8.3	8.2	159
August	"	..	..	..	..	8.5	7.8	169
September	"	..	..	..	..	9.2	7.7	163
October	"	..	..	..	..	8.6	8.0	171
November	"	..	..	..	..	8.3	7.7	165
December	"	..	..	..	..	6.8	7.4	141
January	1954	..	..	..	..	6.7	7.0	139
February	"	..	..	..	..	6.6	6.6	150
March	"	..	..	..	..	7.2	6.7	164
April	"	..	..	..	..	7.3	6.9	156
May	"	..	..	..	..	7.7	7.7	166

\*\* Result exclusive of Jodhpur and N. S. Railways.

## APPENDIX XI

## Statement showing the strength of the Special Police Establishment.

	Head Quarters.	Delhi Circle.	U.P. Circle.	Madras Circle.	Bombay & C.P. Circle.	Calcutta Circle.	Patna Circle.	Total.
Inspector General .. ..	1	..	..	..	..	..	..	1
Asstt. Inspector General ..	1	..	..	..	..	..	..	1
Administrative Officer .. ..	1	..	..	..	..	..	..	1
L. A. and P. P. .. ..	1	1	1	1	1	1	1	7
Supdt. of Police .. ..	..	1	1	1	1	1	1	6
Dy. Supdt. of Police .. ..	2	2	2	1	2	2	2	13
Inspectors .. ..	6	9	6	4	10	13	6	54
Sub-Inspectors .. ..	12	16	12	8	10	15	12	85
Asstt. Sub-Inspectors .. ..	6	7	6	4	8	12	8	51
Prosecuting Inspectors .. ..	1	2	2	1	2	2	2	12
Prosecuting Sub-Inspectors ..	1	2	2	1	2	2	2	12
Head Constables .. ..	4	8	8	4	8	8	8	48
Foot Constables .. ..	42	78	76	43	78	82	76	475
Section Officers Grade III ..	2	..	..	..	..	..	..	2
Assistants .. ..	4	..	..	..	..	..	..	4
Acctt. Asstt. .. ..	1	..	..	..	..	..	..	1
Senior Clerks .. ..	9	4	4	2	4	4	3	30
Jr. Clerks .. ..	6	10	9	5	10	10	10	60
Camp Clerk/Steno .. ..	..	..	..	..	..	..	..	..
Sr. Clerk—Steno .. ..	..	6	6	4	6	6	6	34
Stenographers .. ..	5	..	..	..	..	..	..	5
Class IV staff .. ..	7	6	6	3	6	6	6	40

## APPENDIX X

Statement showing the strength of the Rly. Section Officers/Inspectors attached to the Special Police Establishment.

S. No.	Branch.	Rly. Section Officers.			Rly. Section Inspectors.		
		No.	Grade Rs.	Hd. Qrs.	No.	Grade Rs.	Hd. Qrs.
1.	Head Quarters ..	1	400—25—450	Delhi	..	..	..
2.	Delhi .. ..	..	..	..	1	250—7½—400	Delhi
3.	Ambala .. ..	1	400—25—450	Ferozpur	1	Do.	Ambala.
4.	Lucknow .. ..	6	Do.	Moradabad	1	200—10—250 —15—400	Lucknow.
				Allahabad			
				Jhansi			
				Coralhpur			
				Lucknow			
				Bareilly			
5.	Rajasthan Ajmer	7	Do.	Bikaner	..	..	..
				Jodhpura			
				Ajmer			
				Udaipur			
				Jaispur			
6.	Bombay .. ..	4	Do.	Gwalior	1	370—13—500	Bombay.
				Bhopal			
				Surat			
				Baroda			
7.	Jabalpur .. ..	3	Do.	Rajkot	1	175—25/2— 300—10—350	Jabalpur
				Hubli			
				Nagpur			
				Bilaspur			
8.	Madhya Bharat ..	1	Do.	Godia	..	..	..
				Nagda			
				Hyderabad			
				Bezawada			
9.	Madras .. ..	8	Do.	Tenali	1	175—10—275	Madras
				Guntakal			
				Birur			
				Jalarpet			
				Madura			
10.	Ranchi .. ..	2	Do.	Coimbatore	1	175—12—235 —15—400	Chakradhar- pur.
				Samastipur			
11.	Puri .. ..	1	Do.	Dinapore	1	175—10—215— 15—275—15— 305—15—380	Puri.
				Jhar aguda			
12.	Calcutta .. ..	1	Do.	Calcutta	..	..	..
13.	Shillong .. ..	1	Do.	Lumding	1	175—25/2—200 —15—275—20 —375	Shillong.
Total ..		36			9		



## APPENDIX XI

## Statement of corruption cases dealt with by the Delhi Special Police Establishment during 1951.

	Railways.		Total (All Ministries of the Govt. of India)		Percentage of Railway cases to total.	
	C.	P.	C.	P.	C.	P.
Pending from before 1-1-1951 .. ..	328	596	702	1,540	46·7%	38·7%
Registered during 1951 .. .. .	130	233	231	431	56·2%	54·1%
Total .. .. .	458	829	933	1,971	49·1%	42·1%
Reported for departmental action .. ..	89	147	136	288	65·4%	51·0%
Dropped for want of evidence .. ..	35	67	76	140	46·1%	47·9%
Sent for trial during 1951 .. .. .	99	143	222	468	44·6%	30·6%
Convicted .. .. .	61	87	104	149	58·7%	58·3%
Acquitted .. .. .	72	119	130	269	55·4%	44·2%
Pending trial in courts .. .. .	128	248	295	685	43·7%	36·2%
Disposed of otherwise .. .. .	2	2	3	4	66·7%	50·0%
Transferred to local Police .. .. .	5	7	8	18	62·5%	38·8%
Under investigation .. .. .	33	78	88	169	37·5%	46·2%
Pending with Legal Advisers .. .. .	19	40	51	120	37·3%	33·3%
Pending with I. G. .. .. .	..	..	4	12	..	..
Pending departmental sanction for prosecution .. .. .	14	34	27	95	51·9%	35·8%
Ready for prosecution .. .. .	..	..	11	22	..	..
Gazetted or Commissioned Officers involved .. .. .	15	22	101	154	14·9%	14·3%
Fine imposed .. .. .	Rs. 50,425	Rs. 194,025			26·0%	

C. Stands for number of cases.

P. Stands for number of persons prosecuted.

## APPENDIX XII

**Statement of corruption cases dealt with by the Delhi Special Police  
Establishment during the year 1952.**

	Railways.		Total (All Ministries).		Percentage.	
	C.	P.	C.	P.	C.	P.
No. of Cases pending from previous year ..	198	396	498	1,076	39·8%	36·8%
No. of cases reported during the year ..	140	202	267	459	52·4%	44·1%
Total .. .. .	338	598	765	1,535	44·2%	38·9%
No. of cases reported for departmental action.	46	68	72	115	63·9%	59·1%
No. of cases dropped for want of proof ..	13	24	39	69	33·3%	34·8%
No. of cases sent up for trial during the year.	80	139	187	390	42·2%	33·1%
Convicted .. .. .	34	46	72	101	47·2%	45·5%
Acquitted or Discharged .. .. .	31	75	65	188	47·7%	39·8%
Disposed of otherwise by courts .. .. .	1	1	1	1	100%	100%
Pending in Courts .. .. .	128	246	292	631	43·8%	39·0%
Transferred to local Police .. .. .	2	3	6	9	33·3%	33·3%
Ripe for prosecution .. .. .	1	1	1	1	100%	100%
Pending departmental sanction for prosecution.	11	19	18	52	61·1%	36·5%
Pending with I.C. for orders on final Reports.	19	35	56	131	33·9%	26·7%
Pending with Public Prosecutors and legal advisers .. .. .	7	8	13	18	53·8%	44·4%
Pending with Investigation Officers for investigation .. .. .	45	72	130	219	34·6%	32·8%
No. of Gazetted officers involved .. .. .	14	13	69	110	20·3%	11·8%
Total fine imposed .. .. .	Rs. 6,830	Rs. 1,63,697			4·2%	

C. Stands for number of cases.

P. Stands for number of persons prosecuted.

## APPENDIX XIII

**Statement of corruption cases dealt with by the Delhi Special Police  
Establishment during the year 1953.**

	Railways.		Total (All Ministries).		Percentage.	
	C.	P.	C.	P.	C.	P.
No. of cases pending from previous year ..	211	364	575	1,133	36.7%	32.1%
No. of cases reported during the year ..	137	236	376	603	36.4%	39.1%
Total .. .. .	348	600	951	1,736	36.5%	35.6%
No. of cases reported for departmental action.	37	49	77	116	48%	42.2%
No. of cases dropped for want of proof ..	8	15	53	83	15.1%	18.1%
No. of cases sent up for trial during the year.	76	132	173	331	43.9%	39.9%
Convicted .. .. .	34	37	82	100	41.5%	37%
Acquitted or Discharged .. .. .	41	65	79	174	51.8%	37.3%
Disposed of otherwise by courts .. .. .	5	5	9	13	55.9%	38.5%
Pending in courts .. .. .	125	239	304	656	41.1%	36.4%
Transferred to local Police .. .. .	2	2	17	22	11.7%	9%
Ripe for prosecution .. .. .	2	9	7	22	28.5%	40.9%
Pending departmental sanction for prosecution .. .. .	11	16	25	64	44%	25%
Pending with I.C. for orders on final reports.	10	18	32	55	31.3%	32.8%
Pending with Public Prosecutors and Legal Advisers .. .. .	2	2	12	13	16.3%	15.4%
Pending with investigation Officers for investigation .. .. .	71	143	254	418	29.5%	34.2%
No. of Gazetted Officers involved. .. ..	13	14	73	85	17.8%	15.4%
Total fine imposed .. .. .	Rs. 10,510	Rs. 65,810			15.9%	

C. Stands for number of cases.

P. Stands for number of persons prosecuted.



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